STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20395

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20396

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20397

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20398

Examiner Docket: April 4, 2019

CIMAREX'S EXHIBITS



Earl E. DeBrine, Jr.
Lance D. Hough
MODRALL SPERIENG

500 Fourth Street NW, Suite 1000 P. O. Box 2168 / Albuquerque, NM 87103 Telephone 505.848.1800

edebrine@modrall.com ldh@modrall.com

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CASE NO. 20397

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20398

CIMAREX'S EXHIBITS

Exhibit A Affidavit of Riley Morris

Exhibit B Affidavit of Staci Mueller

Exhibit C Affidavit of Earl E. DeBrine, Jr.

Earl E. DeBrine, Jr.
Lance D. Hough
MODRALL SPERLING
500 Fourth Street NW, Suite 1000
P. O. Box 2168 / Albuquerque, NM 87103
Telephone 505.848.1800
edebrine@modrall.com
ldh@modrall.com

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CASE NO. 20398

AFFIDAVIT OF RILEY MORRIS

| STATE OF TEXAS |) |
|-------------------|------|
| |) ss |
| COUNTY OF MIDLAND |) |

Riley Morris, being duly sworn, deposes and states:

- 1. I am a landman for Cimarex Energy Co. ("Cimarex"), over the age of 18 and have personal knowledge of the matters stated herein. I have previously been qualified to testify by the New Mexico Oil Conservation Division as an expert in petroleum land matters.
- 2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the above referenced compulsory pooling applications filed by Cimarex.

Case Nos. 20395, 20396, 20397, 20398

CIVIARE

Exhibit A

- 3. Each of these cases each involve a request for an order from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring horizontal spacing units described below, and in wells to be drilled in the horizontal spacing unit.
- 4. No opposition is expected. Prior to filing its applications Cimarex contacted the interest owners being pooled regarding the proposed wells; the pooled interest owners have failed or refused to voluntarily commit their interests in the wells. Cimarex provided all of the working interest owners and any unleased mineral owners and overriding royalty owners with notice of these applications and none have entered an appearance in opposition to Cimarex' applications.
- 5. A plat outlining all of 4 the horizontal units being pooled that is the subject of these applications is attached to my Affidavit as Exhibit "A." This exhibit also includes the ownership of each separate tract in the proposed units and the proposed wells' location within the units.
- 6. Below is a description of the facts supporting each of the compulsory pooling applications in the above-referenced cases.

7. Case No. 20395

- a. In its application, Cimarex seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 N/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 North State Com 1H** well, to be horizontally drilled.
- b. A plat outlining the unit being pooled in Case No. 20395 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 75% interest in the proposed unit and has a right to drill a well thereon.
- c. There are no depth severances within the Bone Spring formation within the unit.

- d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.
- e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.
- f. Attached to my affidavit as **Exhibit B.15-14 North 1H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).
- g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
- h. Exhibit C.15-14 North 1H is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
- i. Exhibit D.15-14 North 1H is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$13,288,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

8. Case No. 20396

- a. In its application, Cimarex Energy Co. seeks an order from the Division order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 N/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Parkway 15-14 North State Com 2H well, to be horizontally drilled.
- b. A plat outlining the unit being pooled in Case No. 20396 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 75% interest in the proposed unit and has a right to drill a well thereon.
- c. There are no depth severances within the Bone Spring formation within the unit.
- d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.

- e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.
- f. Attached to my affidavit as **Exhibit B.15-14 North 2H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).
- g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
- h. Exhibit C.15-14 North 2H is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
- i. Exhibit D.15-14 North 2H is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$11,585,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

9. <u>Case No. 20397</u>

- a. In its application, Cimarex Energy Co. seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 South State Com 1H** well, to be horizontally drilled.
- b. A plat outlining the unit being pooled in Case No. 20397 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 54.6875% interest in the proposed unit and has a right to drill a well thereon.
- c. There are no depth severances within the Bone Spring formation within the unit.
- d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.
- e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.

- f. Attached to my affidavit as **Exhibit B.15-14 South 1H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).
- g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
- h. Exhibit C.15-14 South 1H is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
- i. Exhibit D.15-14 South 1H is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$12,604,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

10. Case No. 20398

- a. In its application, Cimarex Energy Co. seeks an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Parkway 15-14 South State Com 2H well, to be horizontally drilled.
- b. A plat outlining the unit being pooled in Case No. 20395 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 54.68758% interest in the proposed unit and has a right to drill a well thereon.
- c. There are no depth severances within the Bone Spring formation within the unit.
- d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.
- e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.
- f. Attached to my affidavit as **Exhibit B.15-14 South 2H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).

- g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
- h. Exhibit C.15-14 South 2H is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
- i. Exhibit D.15-14 South 2H is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$11,058,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
- 11. Cimarex requests overhead and administrative rates of \$7500/month during drilling and \$750/month while producing. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico and consistent with the rates awarded by the Division in in recent compulsory pooling orders. Cimarex requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 12. Cimarex requests the maximum cost plus 200% risk charge be assessed against non-consenting pooled working interest owners.
 - 13. Cimarex requests that it be designated operator of the well.
- 14. The granting of Cimarex's applications in these cases is in the interests of conservation and the prevention of waste.
- 15. The attachments to my Affidavit were prepared by me or compiled from company business records.
- 16. I attest that the information provided herein is true, correct and complete to the best of my knowledge and belief.

Riley Morris

SUBSCRIBED AND SWORN to before me this 3rd day of April, 2019 by Riley Morris.

SEAL

KAIMI BROWNLEE

Notary Public, State of Texas

Comm. Expires 03-26-2023

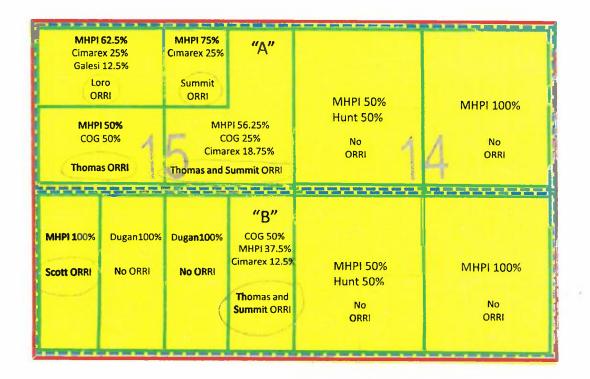
Notary ID 126052368

Notary Public
My commission expires: 3 24 2023

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Parkway 15-14 State Com Proposed Contract Areas

- Proposed JOA Covers All of Sections 15 and 14 (Red Outline)
 - "Sub-Contract Areas" "A" and "B" (Blue Outlines)
 - Multiple Tracts (Green Outlines)
- State Acreage All leases have a 1/8th royalty
- WI Ownership Breakdown
 - Contract Area "A" (N/2 of Sections 15 and 14):
 - XEC/MHPI: 75%
 - Hunt: 12.5% (Prefers to Participate; no JOA in place)
 - Concho: 10.9375% (Reviewing JOA)
 - Galesi Trusts: 1.5625% (Cannot locate)
 - Contract Area "B" (S/2 of Sections 15 and 14):
 - XEC/MHPI: 54.6875%
 - Dugan: 26.5625% (Executed the JOA)
 - Hunt: 12.5% (Prefers to Participate; no JOA in place)
 - Concho: 6.25% (Reviewing JOA)
- ORRI Breakdown:
 - Contract Area "A": Largest to Smallest
 - Summit Overseas Exploration
 - Loro Corporation
 - John Thomas
 - Contract Area "B": Largest to Smallest
 - Summit Overseas Exploration
 - John Thomas
 - Dorothy Scott

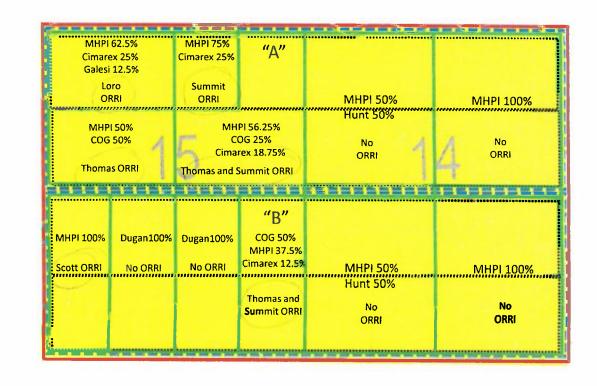


Case Nos. 20395, 20396, 20397, 20398



Spacing Units for Parkway 15-14 State Comms

- 4 Separate Spacing Units (Black Dashed Line)
 - N/2 N/2 of Sections 15 and 14
 - S/2 N/2 of Sections 15 and 14
 - N/2 S/2 of Sections 15 and 14
 - S/2 S/2 of Sections
 15 and 14



Currently Operated Cimarex Wells

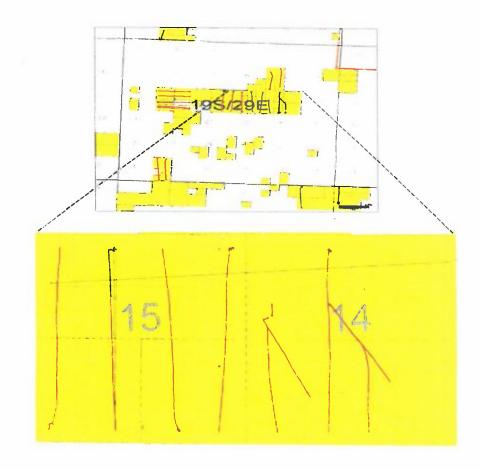
Horizontal Wells (West to East):

- Parkway State Com 3 (2nd Bone Spring)
- Parkway State Com 5Y (2nd Bone Spring)
- Parkway State Com 4 (2nd Bone Spring)
- Parkway State Com 6H (2nd Bone Spring)
- State 14 Com 2 (2nd Bone Spring)
- State 14 Com 3H (2nd Bone Spring)
- State 14 A Com 2 (Morrow)

Vertical Wells (West to East):

- Parkway State Com 2 (Morrow)
- Parkway State Com 1 (Morrow)
- Parkway B State 1 (Morrow)
- State 14 Com 1 (Strawn)

Gray-lined wells are permitted wells that have yet to be drilled



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | ² Pool Code | ³ Pool Name |
|-------------------------|-----------------------------------------------|------------------------|
| 4 Property Code | ⁵ Property Na PARKWAY 15-14 NOR | |
| OGRID No. | Operator Na CIMAREX ENE | |

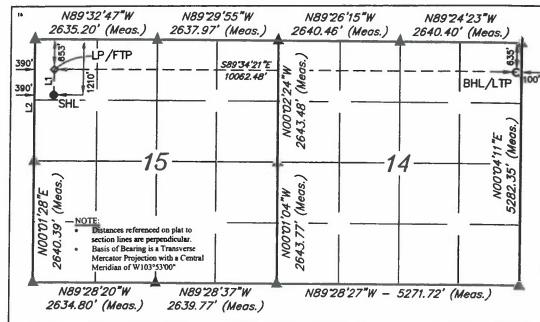
"Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 15 | 198 | 29E | | 1210 | NORTH | 390 | WEST | EDDY |

"Bottom Hole Location If Different From Surface

| T | L or lot no. | Section 14 | Tewnship 19S | Range 29E | Lot Idn | Feet from the 635 | North/South line NORTH | Feet from the 100 | East/West line EAST | County EDDY |
|----|-----------------------|---------------|-------------------------------|--------------|---------------|-------------------|---------------------------|----------------------|------------------------|----------------|
| 12 | Dedicated Acre 320 | ÷5 | ¹³ Joint or Infill | 14 Com | lidation Code | 15 Order No. | | | | |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



LINE TABLE LINE DIRECTION LENGTH N0002'50"W 557.00 N0003'11"W 2642.43

NAD 83 (SURFACE HOLE LOCATION) LATITUDE = 32°39'53.01" (32.664725°) LONGITUDE = 104°04'11.80" (104.069943°) NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32°39'52.59" (32.664608°) LONGITUDE = 104°04'09.97" (104.069436° STATE PLANE NAD 83 (N.M. EAST) N: 605658.69' E: 622390.92 STATE PLANE NAD 27 (N.M. EA

N: 605596.35' E: 581211.21'

NAD 83 (BHL/LTP) LATITUDE = 32°39'57.94" (32.666094°) LONGITUDE = 104°02'14.12" (104.037256°) NAD 27 (BHL/LTP LATITUDE = 32°39'57.51" (32.665976°) LONGITUDE = 104°02'12.30" (104.036750°) STATE PLANE NAD 83 (N.M. EAST) N: 606183.15' E: 632448.34' STATE PLANE NAD 27 (N.M. EAS N: 606120.72' E: 591268.64

- = SURFACE HOLE LOCATION
- = LANDING POINT/FIRST TAKE POINT
- BOTTOM HOLE LOCATION/ LAST TAKE POINT
- = SECTION CORNER LOCATED



SCALE DRAWN BY: C.M.T. 11-30-18

"OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuan to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

| Signature | Date |
|-----------|------|
| | |
| | |

E-mail Address

Printed Name

"SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Date of Survey Signature and Seal of Professional Surveyor:





Exhibit B.15-14 North 1H



December 10, 2018

Hollis Galesi 30 Galesi Drive Wayne, NJ 07407

Re:

Proposal to Drill

Parkway 15-14 North State Com 2H

Sections 15 & 14, Township 19 South, Range 29 East

Eddy County, New Mexico

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 North State Com 2H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1150' FNL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 1915' FNL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 North State Com 2H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

Riley C. Morris, RPL rmorris@cimarex.com

432.620.1966

Case Nos. 20395, 20396, 20397, 20398



ELECTION TO PARTICIPATE Parkway 15-14 North State Com 2H

| | Hollis Galesi elects TO participate in the proposed Parkway 15-14 North State Com 2H well. |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Hollis Galesi elects NOT to participate in the proposed Parkway 15-14 North State Com 2H well. |
| Dated this day of | , 2018. |
| Signature: | |
| Title: | |
| | |
| If your election above i | s TO participate in the proposed Parkway 15-14 North State Com 2H well, then: |
| | Hollis Galesi elects TO be covered by well control insurance procured by Cimarex Energy Co. |
| | Hollis Galesi elects NOT to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co. |



Authorization For Expenditure Drilling

AFE # 26619022

Date Prepared 12/10/2018

Elbira i Regin

Claff Liams

Protoed.

Property Lumber

AF:

Permian Basin

PARKWAY 15-14 NORTH STATE COM New Mexico Bone Spring Pros 1H (Eddy)

309775-293.01

26619022

County State

1503', 11

Estimate u Soluti

Estimated Consplainur

Eddy, NM

N/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New Mexico

3/30/2019

8/1/2019

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Supplement Revision

3rd Bone Spring

DEV

18,980

8.840

Parc be

Drill and complete well

De ROLL

1 - 11 Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12*/100' initial build rate to +/- 90 degrees and8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

| Total Well Cost | \$3,156,000 | \$10,132,500 | \$13,288,500 |
|-----------------------|-------------|--------------------|---------------------|
| Total Tangible Cost | \$155,000 | \$1,934,000 | \$2,089,000 |
| Lease Equipment | | \$1,317,000 | \$1,317,000 |
| Well Equipment | \$155,000 | \$617,000 | \$772,000 |
| Tangible | Dr., Hote | After Casing Point | Completed Well Cost |
| Total Intangible Cost | \$3,001,000 | \$8,198,500 | \$11,199,500 |
| Completion Costs | | \$8,198,500 | \$8,198,500 |
| Drilling Costs | \$3,001,000 | | \$3,001,000 |
| Intangible | Ory Hole | After Casing Point | Completed Well Cost |
| | | | |

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

Lelect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering

Nonoperator Approvat

C. may

Approved by the Chame.

Approved by (Signature)

Liste -

NOTICE TO NONOPERATOR. Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018





Authorization For Expenditure - PARKWAY 15-14 NORTH STATE COM 1H

| Deciging | COIVI II | | Drilling | ACP - | Drilling | Comp | p/Stim | Producti | on Equip | Post Corr | pletion | Total |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------|-----------|----------------|----------|--------------|-----------|----------------|-----------|-------------|---------|------------|
| 1969 1969 | | Call. | 140 24 | | | | 31 | | | 05-33.5.640 | | 37: 500 |
| Marchander Marchane Marchan | | | | | | 2100 H G | 5,000 | | | PLOBERT | 10,000 | |
| Section | | | | | | \$1085,255 | 46,000 | | 10,000 | PC435/1255 | 275.CC0 | |
| Mathematical Math | | | | DKC 129 | 100,000 | | | | | | | 669,000 |
| Mathematic Mat | | DIDC 120 | | | | | | | | | | 35,000 |
| March of March 12 March of | B-rs | DIDC 125 | 85,000 | DICC 125 | 0 | 5184325 | 0 | | | | | |
| Marie Mari | | | | | | | | | | | | |
| Second | | | | DICC 135 | 0 | \$11M 1 95 | 24,000 | | | PCON 135 | D | |
| Manufacture | | | | Par (110 | | CRAFAC | 347.600 | course | 6 500 | SCORE LID | 11000 | |
| Seminate Desire | | CHOC 130 | 95,000 | DACE IN | U | | | 5000 144 | 0,300 | | | |
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| | Total Estimated Cost | | 3,156,000 | | 800,000 | | 6,815,000 | | 2,101,500 | | 416,000 | 13,288,500 |

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| Description | C. 4. | BCP - Drilling | | 1 - 11 / | ACP - Drilling | An . | | Comp/Stim | 410250 |
| Roads & Location | LHDC.10 | 30 | 200,00 | | | N/I | \$10,416 | | 5.000 |
| Damages | DIDC.II | | 10,00 | | | | 31177 10 | • | 5,000 |
| Mud/Fluids Disposal | DIDC.2 | | 180,00 | | | | STIM 25 | | 46.000 |
| Day Rate | | S 22 days at \$25 000/day | 569.00 | | 4 days at \$25,000/day | 100,00 | | • | 46,090 |
| Misc Preparation | LIDC.12 | - | 35.00 | | | 100.00 | | | |
| Sits | DIDC.12 | | 85,00 | | | | 51881 12 | 5 | O |
| Fuel | | Sep/00 63 1¢ yell-lep 021,1 6 | 92.00 | _ | | |) | • | ţı |
| Water for Drilling Rig (Not Frac Water) | 0100.14 | | 5,00 | - | | |) SIELE 13: | 4 | 24,000 |
| Mud & Add tives | DIDC 14 | | 250.00 | _ | | , | , | • | 24,000 |
| Surface Rentals | | 5 Per Day (BCF) (day | 95,00 | | | | S 5 5 5 1 1 4 2 | n | 216,000 |
| Flowback Labor | | | 33,00 | | | ` | S10A 141 | | 210,000 |
| Downhole Rentals | CILK 15 | 5 | 122,00 | n | | | \$854.145 | | 0 |
| Automation Labor | | | | | | | | | O |
| Fannation Evaluation (DSI Coring etc.) | DIDC te | 0 | | 9 | | | SIIM 150 |) | 0 |
| Mud Logging | DIDC 17 | 0 20 days at \$1,200/day | 29,000 | - | | | | | C. |
| Open Hote Logging | DIDC 18 |) | (| | | | | | |
| Cementing & Float Equipment | DILC 18 | S | 150,000 | | | 175,000 | | | |
| Tubular Inspections | DIDC 19 |) | 35,000 | DICC 160 | | 5,000 | | į. | 2.000 |
| Casing Crows | CIDC 19 | 5 | 10,000 | | | 20,000 | | | 0 |
| Mechanical Lation | DILC 20 |) | | DICC 170 | | 5,000 | | | o |
| Trucking firensported on | DIDC 201 | 5 | 20,000 | DICC.175 | | 15.000 | | | 7,000 |
| Supervition | DIEC 219 |) | 111,000 | DICC 180 | | 16.000 | | | 87,000 |
| Trailer Hause 'Camp Catering | DIDC 283 |) | 32,000 | DICC 255 | | 4,000 | | | 42,000 |
| Other Misc Egranics | CHUC 220 |) | 3,G00 | DICC.190 | | 0 | | | 0 |
| Owntead | DIDC 225 | , | 10,000 | DICC.195 | | 5,000 | | | |
| Remodul Continuing | DIEC 231 | | 0 | | | -, | \$189.215 | | 0 |
| EOM30/ECM | EIDC 240 | l | 400,000 | | | | | | • |
| Directional Drifting Services | DH.C 245 | | 216,000 | | | | | | |
| Solids Control | D3DC 540 | | 77,000 | | | | | | |
| Well Control Equip (Snubble) Service (| DILC 265 | | 90.000 | DICC 240 | | 0 | \$107,240 | | 98 000 |
| Fishing & Sidetrack Services | DIDC 270 | | 0 | UKC 245 | | 0 | \$10%.24\$ | | 0 |
| Completion Rig | | | | | | | \$11% 135 | | 21,000 |
| Cail Tubing Services | | | | | | | \$1151,260 | | 271,000 |
| Completion Logging/Perforating Wireling | | | | | | | \$191/200 | | 418.000 |
| Composite Pluçs | | | | | | | \$104,350 | | 95,000 |
| Stim Jat on | | | | | | | \$11\(1210) | | 4.064,000 |
| Stimulation Water/Water Transfer/Water | | | | | | | \$1tM.395 | | 882.000 |
| Ciniatex Owned Frac/Rental Equipment | | | | | | | \$1153.305 | | 42,000 |
| Legal/Regulatory/Curativa | CHOC 300 | | 10,000 | | | | | | |
| Well Control Insurance | DIDC 285 | \$0,35/10 | 7,000 | | | | | | |
| Real Time Operations Center | CIDC \$60 | | 0 | | | | 51151 560 | | 0 |
| Ft. Gt - Lubor | | | | | | | | | |
| FL GL + Super-sion | | | | | | | | | |
| Survey | | | | | | | | | |
| SWD/Other - Labor | | | | | | | | | |
| SWD, OTHER - SUPERVISION | | | | | | | | | |
| Contingency | CICC 435 | 500 % of Drilling Intong bles | 143,000 | OICC 220 | | 17,000 | \$1154.520 | | 316,000 |
| Contingency | | | | | | | | | |
| P&A Costs | CICC.295 | | 0 | DICC 275 | | 0 | | | |
| Total Intenç bile Cos | | | 3,001,000 | | | 362 000 | | | 6.636,000 |
| O'ne Fipe | CW58 150 | | 0 | | | | | | |
| Conductor Fipe | DAVED.130 | | 0 | | | | | | |
| Water String | CWEB 135 | | 0 | | | | | | |
| Surface Casii g | | 13 3/6" - 400ft at \$35 00/ft | 14,000 | | | | | | |
| Intermediate Coung 1 | | 9 5/8 - 3 160ft at \$35,00/h | 121,000 | | | | | | |
| Intermediate Coung 2 | DWEB.155 | | 0 | | | | | | |
| Onling Lines | DV/£E.160 | | 0 | | | | | | |
| Production Casing or Liner | | | | | 1/2 + 18,980% at \$22,00/h | 418,000 | | | |
| Production Ne-Back Tubing | | | | DW14.165 | | 0 | STEAL TO | | 0 |
| · · | 4 MARC P 4 8 F | | 20.000 | | | | | 2 7/6" - 8.460ft at \$7.00/ft | 59,000 |
| Wellhead: Tree, Chakes Liner Hanger, Isolation Packer | DW/EE 115 DW/(8 100 | | | DWEA 120 DWEA.125 | | | S1841.120 | | 25,000 |
| - | DWILD IO | | Ų | UNIA 123 | | 0 | / 1 m 4 1 4 m h | | |
| Packer, Nipples Pumping Unit Engine | | | | | | | \$1P/11.400 | | 15 000 |
| Downhole Lift Equipment | | | | | | | SIPAT 40S | | 0 |
| Surface Equipment | | | | | | | SIPAI 410 | | 80,000 |
| Well Automation Materials | | | | | | | | | |
| Total Tangerie - Well Equipment Con | | | 155 000 | | | 420.033 | | | |
| N/C tease Equipment | | | .33 000 | | | 438.000 | | | 179,000 |
| Tanks, Tanks Steps, Stairs | | | | | | | | | |
| Battery Equipment | | | | | | | | | |
| Secondary Containments | | | | | | | | | |
| Overhead Power Distribution | | | | | | | | | |
| Facility Electrical | | | | | | | | | |
| Telecommunication Equipment | | | | | | | | | |
| Meters and Metering Equipment | | | | | | | | | |
| Facility Line Pipe | | | | | | | | | |
| Lease Automation Materials | | | | | | | | | |
| FL/GL - Materials | | | | | | | | | |
| FL/GL - Line Pipe | | | | | | | | | |
| SV/D/Other - Materials | | | | | | | | | |
| SWD/OTMER - LINE PIFE | | | | | | | | | |
| Total Tangible - Lease Equipment Cost | | | | | | | | | |
| Total Estimated Cost | | | 3,156,000 | | | 800,000 | | | 6.815.000 |

| | | Production Equip | | Post Completion | 200 | Total |
|----------------------------------------------------------------------------------------|----------------------|-------------------|--------------|----------------------------------------------------------------|------------------|---------------------|
| Description | | 70.50 | 0.011150 | Road Reper | 10,000 | 276,500 |
| Roads & Escation Daniago | CON 100 | 16,000 | PCQFX 100 | roat urlan | 10,000 | 26,000 |
| Mid-Floris Digital | CONTROL | 10,000 | PCOM 255 | Water Display and grand during 1922's for 60 | 275 000 | 501,000 |
| Day Rate | | | | | | 669,000 |
| Music Proparation | | | | | | 35,000 |
| En | | | PCOM 125 | | 0 | 85,000 |
| fuel | | | PC018 130 | | e | 92,000 |
| Witter for Dolling Pro Contifest Water | | | PCOM 135 | | 0 | 29,000 |
| Mid & Add tile? | | | | | 22.000 | 250.000 |
| Surface Rentals | COR 14. | £.500 | | Sand Separator and Iran (30 days) Flowback france (30 days) | 33.000 60.000 | 350,500 |
| Flowback Labor | | | PC05/141 | Mayber a cardy (30 dak) | 00.000 | 122,000 |
| Downhale Pentalt Autemation Laure | CGN: 130 | 65 000 | PLOM 150 | | o | 95,000 |
| Format on Evaluation (DSF Cov. g. etc.) | | 3000 | | | | 0 |
| Mullogarg | | | | | | 29.000 |
| Open Hole Logning | | | | | | 0 |
| Cementing & Float Equipment | | | | | | 325,000 |
| Tub-dar Inspections | | | PCOMMO | | 0 | 42,000 |
| Casing Crews | | | | | | 30,000 |
| Mechanical Labor | CON 170 | 230,500 | | | e | 250.500 |
| Trucking (Transportation | CON 175 | 42.000 | | | 0 | 84,000 262,500 |
| Supervision | CGN 183 | 46.500 | PCOM 160 | | U | 78,000 |
| Trader House/Campi Catering Other Misc Expenses | CON 193 | 20.000 | PLOTA 150 | | 0 | 23,000 |
| Overhead | CAT 130 | 20,000 | L POSTER AND | | ~ | 15,000 |
| Remedial Cementing | | | PCOM 215 | | 0 | 0 |
| MOE/DELIOS | | | | | - | 400,000 |
| Directional Drilling Services | | | | | | 216,000 |
| Solids Control | | | | | | 77,000 |
| Well Control Equip (Soubbing Services) | | | PCOM 240 | | 0 | 188,000 |
| Fishing & Sidetrack Services | | | PCO5/1 545 | | 0 | 3 |
| Complet on Rig | | | PCOM 115 | | 0 | 21,000 |
| Coil Tuling Services | | | PCOM 260 | | 0 | 271,000 |
| Completion Logging/Perforating/Weekse | | | PCOM 200 | | 0 | 418,000 |
| Composite Plugs | | | PCOM 390 | | 0 | 95,000 4,064,000 |
| Streetman Purposeg/Chien-call/Additives/Sand | | | PCO51210 | | u | 882,000 |
| Stimulation Water/Water Transfer/AVater Storage Cinumes Owned Frair/RentalEquipment | | | PCOM 303 | | 0 | 42,000 |
| Legal/Regulatory/Curative | CON 300 | D | | | • | 10 000 |
| Well Consolitorance | CO(1.30) | Ü | | | | 7,000 |
| Real Time Operations Center | | | | | | 0 |
| Fi GL-Liber | CON 501 | 73 509 | | | | 73.500 |
| FL/GL - Supervision | CON 505 | 9 | | | | 0 |
| Sung | CON 515 | 0 | | | | 0 |
| SWD Other - Labor | CON 600 | 0 | | | | 0 |
| SWD. OTHER - SUPERVISION | CC11-005 | 0 | | | | 0 |
| Contingency | CON 536 | | PC01/1220 | 1(> | 38,000 | 694,000 |
| Contingency P&A Costs | CON 221 | 11,000 | | | | 0.000 |
| Total Intendible Cost | | 764,500 | | | 416 000 | 11,199,500 |
| Disefre | | 141,360 | | | | 0 |
| Conductor Pipe | | | | | | 0 |
| Water String | | | | | | 0 |
| Surface Caving | | | | | | 14,000 |
| Intermediate Caring 1 | | | | | | 121.000 |
| Intermediate Casing 2 | | | | | | 0 |
| Duling Liver | | | | | | 418,000 |
| Production Caving or Lines | | | | | | 418,000 |
| Production be Back futing | | | PCOME 105 | | 0 | 59,000 |
| Wellhold Tree Choles | | | PCOMF 120 | | ě | 65,000 |
| Line: Hanger, Isolation Packer | | | | | • | 0 |
| Parker, Nyples | | | PCOMI 490 | | 0 | 15,000 |
| Pumping Unit Engine | | | PCOME 405 | | 0 | 0 |
| Dawnhole bit Equipment | | | PCOM1 410 | | 0 | 80,000 |
| Statere Equipment | | | PEQ517-420 | | 0 | 0 |
| Well Automation Materials | | | PCONT 455 | | 0 | 0 |
| Total Tangble - Well Fourment Cost | | | | | 0 | 772.000 |
| M.C. Tease Equipment | CO131 470 | 245,000 | | | | 245.000 176.500 |
| Tanks Tankr Steps Stairs | COST 410 | 176.500 | | | | 357,000 |
| Battery Equipment Secondary Contain fronts | CONT 410 CONT 415 | 357,000 79,000 | | | | 79,000 |
| Overhead Power D stribution | CONT 420 | 91.000 | | | | 91,000 |
| Facility Electrical | CONT-425 | 134,500 | | | | 134,500 |
| Teleronmunical an Equipment | CONT 426 | 134,300 | | | | 0 |
| Meters and Metering Egipment | CO'17 415 | 26.500 | | | | 26,500 |
| Farity Line P.p.s | CO117 450 | 70.000 | | | | 70,000 |
| Sease Automore in Marie at | CO117 453 | 1#5,600 | | | | 115.000 |
| FUGIL Mile 15 | CONT 550 | 7,500 | | | | 7.500 |
| FLIGHT - Even Piglin | | | | | | 15,000 |
| | CO'1T 553 | 15 000 | | | | - |
| SWD Other - Materials | CO.11.020 | 0 | | | | 0 |
| SWD Other - Mate 15: SWD OTHER - LIVE PIPE | | 0 | | | | 0 |
| SWD Other - Materials | CO.11.020 | 0 | 1 | | 416 000 | |



Authorization For Expenditure Drilling

AFE # 26619022

Date Preparent 12/10/2018

colors or Region -i -1 Francis Line per PARKWAY 15-14 NORTH STATE COM New Mexico Bone Spring Pros Permian Basin 309775-293.01 26619022

(Eddy)

Courty State Location Edmaled Sp. id. Estimated Completion

Eddy, NM N/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New 3/30/2019 8/1/2019

in turn X New to start to 1 Marie of Death To Nation Pressy Supplement 3rd Bone Spring DEV 18,980 8.840

Revision

F. 111: 15% Drill and complete well

O. C Dion

Exiliary Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12*/100' initial build rate to +/- 90 degrees and8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

| Intangible | [++ 4.4g | Ver Coardiform | Completed Well Cost |
|-----------------------|-------------|--------------------|---------------------|
| Drilling Costs | \$3,001,000 | | \$3,001,000 |
| Completion Costs | | \$8,198,500 | \$8,198,500 |
| Total Intangible Cost | \$3,001,000 | \$8,198,500 | \$11,199,500 |
| Tangible | Dry Hole | After Casing Point | Completed Well Cost |
| Well Equipment | \$155,000 | \$617,000 | \$772,000 |
| Lease Equipment | | \$1,317,000 | \$1,317,000 |
| Total Tangible Cost | \$155,000 | \$1,934,000 | \$2,089,000 |
| Total Well Cost | \$3,156,000 | \$10,132,500 | \$13,288,500 |

Comments On Well Costs

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore, if you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nenoperator Augitoval Approved By (Print Trami) Contrary Approved By (Stimillare) [1916

NOTICE TO NONOPERATOR. Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement

^{1.} All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.



| | ace - | - Drilling | ACP - | Drilling | | pp/Stim | Produc | tion Equip | Post Cor | npletion | Total |
|---------------------------------------------------------|----------------------|-------------------|----------------------|-----------------|------------------------|-------------------|-----------|------------|----------------------|------------------|-------------------|
| Description | | 2 - 4 -4 | | 24114 | | | 1440 | 4 | | | |
| Roads & Locat on | DIDC 100 | 200,000 | | | STILL HE | 5,000 | | | FCON Ito | 10.000 | 276 500 |
| Damages | DIDC 105 | 10,000 | | | | | CON 105 | 16,000 | | | 26,000 |
| Mid Wide Disposal | DIOC 255 | 180,000 | 0100.434 | | \$100.255 | 46,000 | | | PCOM251 | 275 000 | 501 000 |
| Day Rate | DIDC 115 | 569,000 | DICC 120 | 100,000 | | | | | | | 669 (00 |
| Micc Preparation | DIDC 120 | 35,000 | DIC 131 | | (104134 | | | | PC 07/4 125 | | 35,000 |
| Brts Fuel | DKX 125 | 85,000 | DICC 125 | 0 | | 0 | | | PCOM 130 | 0 | 85,000 |
| | DIOC 135 DIOC 140 | 92,000 | DICC 130 DICC 135 | 0 | | 24000 | | | PCOM 135 | 0 | 92.000 |
| Water for Drilling Rig (Not Fra: Water) Mid & Additives | DIOC 145 | 5,000 | face 133 | U | 301101 1 95 | 24,000 | | | 7 COM 131 | 0 | 29.000 |
| | DIDC 150 | 250,000 | 6466.346 | 4. | 1200100 | 200.000 | 600.110 | | PCO51 140 | 11.000 | 250.000 |
| Sinface Rental: Floodback Labor | (AUX 131) | 95,000 | DICC 146 | (t | \$184 140 \$184 141 | 216,000 | CON 110 | 6,500 | PCOM 141 | 33 COO 60 COO | 350 500 |
| Downhole Rental, | Date ses | 333,000 | | | | C | | | PCOM 145 | | 60,000 |
| Alternation table | DEDL 153 | 122,000 | | | 280V 135 | c | cor. tin | 25 800 | PC 05/ 150 | 0 | 122.000 |
| Farmation Evaluation (CST Coring + 1) | DID: 161 | c | | | \$100.550 | С | 60 | 95,000 | 10.10 | C | 000,20 |
| | PIDL 176 | | | | 3 89487 1 71 | | | | | | 29.000 |
| Mud togging | DD. Ist | 29,000 | | | | | | | | | 29.000 |
| Open Hole Lagging Cementing & Float Equipment | DIDC 183 | | CHIC 155 | 175,000 | | | | | | | \$25,000 |
| Tubular Inspections | DIDC 190 | 150,000 35,000 | DICK 160 | 5,000 | 5102 160 | 3.000 | | | PCOM NO | 0 | 42,000 |
| | DIDL 195 | | DKC 165 | | | 2 000 | | | recar res | U | |
| Casing Crews Mechanical Labor | DID- 200 | 10,000 | | 20,000 | | 0 | CON 1/0 | 220 500 | 0/ (10 4 120 | 0 | 30,000 |
| Trucking/Transportation | DIDX 203 | 15,000 | | 5.000 | | 0 | CON 175 | | PCOM 170 PCOM 175 | 0 | 250.500 |
| Supervision | DIEX 210 | 20,000 | | 15,000 | | 7,000 | CON 16/1 | 42,000 | | 0 | 84,000 |
| Tra Ter House/Camp/Catering | DEDC 280 | 111,000 32,000 | | 16,000 4,000 | | 87,000 42,000 | COL. 10.1 | 48,500 | PC (2M 100) | v | 262.500 78,000 |
| Other Miss Expenses | DIDC 220 | 3,000 | DICC 190 | 4,000 | | 42 000 | CON 190 | 20.000 | PCOM 193 | 0 | 23.000 |
| Overhead | DIDC 225 | 10,000 | DICC 195 | 5,000 | 2110 1-1 | 0 | CONTRA | 20000 | 100011.0 | v | 15,000 |
| Remed at Comenting | DIDC 231 | 0,000 | Dire 1-3 | 5,000 | 5182.215 | 0 | | | PCOM 215 | 0 | 0.000 |
| MOB/OEMOS | DIDC 730 | 400,000 | | | J.m. 673 | D | | | 200 0017 | v | 400,000 |
| Directional Drilling Services | DIDC 235 | 216,000 | | | | | | | | | 216,000 |
| Sol as Control | DIDC 261 | 77,000 | | | | | | | | | 77,000 |
| Well Control Equip (Sn. Ibz. ng Sen. e | DID: 265 | 90,000 | DICC 210 | 0 | 5888240 | 98 000 | | | PC 0M 210 | 0 | 188,006 |
| Fishing & Sidetrack Services | DIDC 270 | 90,000 | DICC 215 | 0 | STR4 245 | 30000 | | | PCOM 245 | 0 | 0 |
| Completion Rig | Diegon | U | 5100217 | v | STULETTS | 21.000 | | | PCOM 115 | 0 | 21,000 |
| Coll Tubing Services | | | | | STM1267 | 271.000 | | | PC OM 260 | 0 | 271.000 |
| Completion Logging/Perforating AV-relian | | | | | \$104.200 | | | | PLOM 200 | 0 | 418,000 |
| Composite Plags | | | | | 51MJ 340 | 418.000 95.000 | | | PCOM 390 | 0 | 95,000 |
| Stimulation Pumping/Chemicals/Add-tives/Saisd | | | | | 5884210 | 4,064,000 | | | PCOM 210 | 0 | 4.064.000 |
| Stimulation Water/Water Transfer/Water Storage | | | | | \$184.395 | 882,000 | | | r d down it is | v | 882,000 |
| Conteres Owned Frac/Rental Equipment | | | | | S1## 305 | 42.000 | | | PCOM 305 | 0 | 42.000 |
| Legal/Regulatory, Curative | OIDC 300 | 10 000 | | | 3,000,000 | 42.000 | COH 300 | 0 | | v | 10,000 |
| Well Control bisurance | DIDC 285 | 7 000 | | | | | 40 | • | | | 7,000 |
| Real Time Operations Center | DIDC 560 | 0 | | | S10456? | 0 | | | | | 0 |
| ft-St - Labor | | _ | | | | - | CO14500 | 73 500 | | | 73,500 |
| FL/SL - Supervision | | | | | | | CON 505 | 0 | | | 0 |
| Sarary | | | | | | | CD11515 | 0 | | | 0 |
| SWD, Other - Labor | | | | | | | C014600 | 0 | | | 0 |
| SWO, OTHER - SUPERVISION: | | | | | | | CON 605 | 0 | | | 0 |
| Contingency | DIDC 135 | 143,000 | DICC 220 | 17,000 | 518/22/3 | 316 000 | CON 220 | 180,000 | PCOY 228 | 38.000 | 694,000 |
| Contingency | | | | | | | CON 221 | 11,000 | | | 11,000 |
| P&A Costs | DiOC 295 | 0 | DICC 275 | 0 | | | | | | | 0 |
| Total incangable Cost | | 3,001,000 | | 362,000 | | 6.635,000 | | 781500 | | 416,000 | 11,199,500 |
| Dave Pipe | DIMED 150 | 0 | | | | | | | | | 0 |
| Conductor Pipe | DWEB 130 | 0 | | | | | | | | | 0 |
| Water String | DWEB 135 | 0 | | | | | | | | | 0 |
| Surface Casing | DWED 140 | 14,000 | | | | | | | | | 14.000 |
| Intermediate Casing 1 | DIMED 145 | 121,000 | | | | | | | | | 121,000 |
| Intermediate Casing 2 | DWEG ISS | 0 | | | | | | | | | 0 |
| Drilling Liner | CHEB 160 | 0 | | | | | | | | | 0 |
| Production Casing or time: | | | DATEA TOO | 418 600 | | | | | | | 418,000 |
| Production Residuo | | | DWEA 165 | ζ. | STEELE SUIT | C | | | | | 0 |
| Tub ng | | | | | STRUCTOS | \$9,000 | | | FCOM1.105 | Ć. | \$9,000 |
| Wellhead Free Chakes | DWES 112 | | DWEA 120 | | STRUCTURE | 25,000 | | | PCOMP 125 | c | 65,000 |
| Einer Hanger, Isolation Packer | DWES 100 | 0 | DAVEA 125 | G | | | | | | | G |
| Packer Lipples | | | | | \$1841.40F | 15,000 | | | H CHI I'V | 0 | 15,600 |
| Pumping Unit Engine | | | | | \$18841.409 | 0 | | | PCOMI 495 | 0 | 0 |
| Downhale Lift Equipment | | | | | STP3F4W | 80,000 | | | PLOME 110 | 0 | 80,000 |
| Surface Equipment | | | | | | | | | PCOM1 120 | 0 | 0 |
| Well Automation Materials | | | | | | | | | PCOMIT 155 | 0 | 0 |
| Total Tang bie - Weil Equipment Cost | | 1\$5,000 | | 438 000 | | 179,000 | | | | c | 772.000 |
| Will Leave Equipment | | | | | | | CONT 100 | 245,000 | | | 245 C00 |
| Tanks Tanks Steps Stairs | | | | | | | CONT 405 | 176,500 | | | 176,500 |
| Battery Equipment | | | | | | | CONT 410 | 357,000 | | | 357,000 |
| Secondary Contain ments Overhead Power Distribution | | | | | | | 215 17/03 | 79,000 | | | 79.000 |
| Facility Efectiveal | | | | | | | CONT 425 | 91,000 | | | 91,000 |
| Fefedominum dat an Equipment | | | | | | | CONT 426 | 134 500 | | | 134 500 |
| Motern and Matering Equipment | | | | | | | CONT 445 | 26,500 | | | 26.502 |
| Facility time Pupe | | | | | | | CONT 450 | 70,000 | | | 26,500 |
| Frase Automation Materials | | | | | | | CONT 455 | 115,000 | | | 70,000 115,000 |
| FL/GL - Materials | | | | | | | CONT 550 | 7,500 | | | 7,500 |
| FLIGE - Lim Pipe | | | | | | | CONT 555 | 15 000 | | | 15,000 |
| SWO Other - Material | | | | | | | COSTESS | 15100 | | | 0 |
| SAND DITHE - THE BID CANS | | | | | | | CONT 655 | 0 | | | 0 |
| Total Tang bie - Tease Fq., prient Coo. | | | | | | | | 1317,000 | | | 1,317,000 |
| Total Estimated Cost | | 3,156,000 | | 800,000 | | 6,815,000 | | 2,101,500 | | 416,000 | 13,288,500 |

| | JIVI 11 1 | BCP - Drilling | | | ACP - Drilling | | | Come Etim | |
|---------------------------------------------------------|--------------------|-------------------------------|-------------------|----------------------|---------------------------------------|------------|----------------------------|-------------------------------|------------|
| Description | | DCF - Drawing | 41.0 | . (5) | ACF - Disang | 40.0 | tern | Comp/Stim | 1000 |
| Roads & Location | CIDC 10 | 9 | 200,00 | | | | \$10.510 | | 5,000 |
| Danages | LHDC 10 | 5 | 10,00 | o o | | | | | |
| Mud/Fluids Disposal | DIOC 25 | 5 | 180,00 | 0 | | | \$110.025 | S | 46,000 |
| Day Rate | | 5 - 22 days at \$25,000.'day | \$69,00 | | 4 days at \$25 000/day | 100,000 |) | | |
| Misc Preparation | BIDC 12 | | 35,000 | | | | | | |
| Esta | DIDC 12 | | 85,000 | | | 0 | | 5 | 0 |
| fuel | DIDC.13 DIDC 14 | | 92,000 | | | 0 | | , | |
| Water for Drilling Rig (Not Frac Water) Mud & Additives | DIDC 14 | | 5,000 250,000 | | | 0 | \$18M.13. | | 24,000 |
| Surface Rentals | | Der Day (BCP)/Jay | | DICC.140 | | 0 | \$104.34 | 1 | 216.000 |
| Flowback Labor | | | 33,000 | , | | · | STIM 14 | | 216,000 |
| Downhole Rentals | DIUC 15 | 5 | 122.000 |) | | | \$104.14 | | 0 |
| Automotion Labor | | | | | | | | | · |
| Connation Evaluation (DST Coring letc.) | DIDC 10 |) | (|) | | | \$100.155 | • | 0 |
| Mud Logging | DIUC 17 | 20 days at \$1 200/day | 29,000 | 3 | | | | | |
| Open Hole Logging | DIOC 18: | | 0 |) | | | | | |
| Comenting & Float Equipment | DIDC 185 | | 150,000 | | | 175,000 | | | |
| Tebular Inspections | DIEC 19: | | 35.000 | | | 5,000 | | | 2.000 |
| Casing Grews | DIDC.195 | | 10.000 | | | 20,000 | | | 0 |
| Mechanical Labor Trucking (Transportstion | DIDC 201 | | | DICC 170 | | 5,000 | | | 0 |
| Supervision | DIDC 210 | | 20,000 | | | 15,000 | | | 7,000 |
| Truler House/Camp 'Catering | DIDC 280 | | 117,000 32,000 | | | 16,000 | \$10M 180 \$11M 280 | | 87,000 |
| Other Mat Engentes | DIDC 220 | | 3,000 | | | 4,000 0 | | | 42.000 |
| Overhead | DIDC 225 | | 10.000 | | | 5.000 | 3114132 | | 0 |
| Remedial Consuma | DIDC 231 | | 0.000 | | | 3.000 | \$1151.215 | | 0 |
| MOB/DEMOB | DIDC 240 | | 400,000 | | | | | | ., |
| Directional Onling Senaces | DIDC 245 | | 216,000 | | | | | | |
| Solids Control | DIDC 260 | | 77,000 | | | | | | |
| Well Control Equip (Snobbling Services) | DIDC 265 | | | DICC 240 | | 0 | \$194,240 | | 98,000 |
| Fishing & Sidebrack Services | DIDC 270 | | | DICC 245 | | 0 | STIM.245 | | 0 |
| Completion Rig | | | | | | | \$104,115 | | 21,000 |
| Coll Tubing Services | | | | | | | \$1154,260 | | 271,000 |
| Completion Logging/Perforating/Westine | | | | | | | \$114.202 | | 418,000 |
| Compos to Plugs | | | | | | | \$1114,390 | | 95,000 |
| Stimulation | | | | | | | \$115,210 | | 4,064,000 |
| Stimulation Water/Water Transfer/Water | | | | | | | 5111:395 | | 882,000 |
| Cinia:ex Owned Frac/Rental Equipment | | | | | | | STIN 305 | | 42,000 |
| Legal/Regulatory/Curative | DIDC 300 | | 10,000 | | | | | | |
| Well Control Insurance | 0100 285 | 50 35/16 | 7,000 | | | | | | |
| Real Time Operations Center | DIDC SCO | | 0 | | | | \$1154.560 | | 0 |
| FL/GL - Labor FL/GL - Supervision | | | | | | | | | |
| Survey | | | | | | | | | |
| SWD/Other - Labor | | | | | | | | | |
| SVVD/OTHER - SUPERVISION | | | | | | | | | |
| Contingency | DIDC 435 | 500 % of Drilling Intang bles | 143,000 | DICC 220 | | 17,000 | \$11M 220 | | 316,000 |
| Cardingency | | | 1-5,000 | | | 17,000 | | | 316,000 |
| P&A Costs | DIDC.295 | | 0 | ENCC.275 | | 0 | | | |
| Total triang ble Cod | | | 3.001,000 | | | 362,000 | | | 6.636,000 |
| Dine Fips | CW18 150 | | 0 | | | | | | 0.03.7,000 |
| Conductor F.pc | DWEE 130 | | 0 | | | | | | |
| Water String | DW68 135 | | 0 | | | | | | |
| Surface Casing | | 13 3/6" - 400ft at \$35 CC/ft | 14,000 | | | | | | |
| Interned ate Casing 1 | CWIE 145 | 9 5/8 + 3 460% 50 535 00/% | 121,000 | | | | | | |
| Intermed ate Casing 2 | OWER 155 | | 0 | | | | | | |
| Diding Lines | DWt8 160 | | 0 | | | | | | |
| Product on Casing or Liner | | | | | 5 1/2 × 16 980% pt. \$22 CO:fr | | | | |
| Production Ne-Back | | | | DWEA 165 | | 6 | STEAT 101 | | 0 |
| Tubing | ****** | | 20.000 | 1000 4 130 | | | \$11'x1 105 \$11'x1 120 | 2 7/8" - 8,460ft at \$7,00/ft | 59,000 |
| Welthead Tree Chake; Unter Hanger, Isolation Packer | DWER 115 | | | DWIA.120 DWIA.125 | | | 211.311 153 | | 25,000 |
| Packer, Hupples | D4110.100 | | v | DWEN.123 | | 0 | S18/41.490 | | |
| Pumping Unit Engine | | | | | | | STEAT AUS | | 15,000 |
| Davinhale Lift Equipment | | | | | | | STEAT 410 | | 80.000 |
| Surface Equipment | | | | | | | | | 000,08 |
| Well Automation Materials | | | | | | | | | |
| You' Tango's - We Equipment Cost | | | 355 GOO | | | 438.050 | | | 179,000 |
| N/C Lease Equipment | | | | | | | | | |
| Tariks, Tanks Steps. Stars | | | | | | | | | |
| Battery Equipment | | | | | | | | | |
| Secondary Containments | | | | | | | | | |
| Owithead Fower Distribution | | | | | | | | | |
| Facility Slectrics' | | | | | | | | | |
| Felecommunication Equipment | | | | | | | | | |
| Meters and Metering Equipment | | | | | | | | | |
| Lease Automation Materials | | | | | | | | | |
| Lease Automation Materials LyGL - Materials | | | | | | | | | |
| 11/G1 - Israelius | | | | | | | | | |
| SV4DrOther - Materials | | | | | | | | | |
| SWO/OTHER - LINE FIFE | | | | | | | | | |
| Fotal Tangiole - Lease Equipment Cox | | | | | | | | | |
| Total Enthroped Cost | | | 455.000 | | · · · · · · · · · · · · · · · · · · · | | | | |



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE COM 1H

| COIVI | ٦ | Description Fords | | Dark Completion | | Total |
|-------------------------------------------------------------|--------------------|-------------------|------------------------|-------------------------------------------|---------|--------------------|
| Description | | Production Equip | | Post Completion | | TOUR . |
| Foral & Location | CON IC. | 61 500 | | Road Pept - | 10,000 | 276 500 |
| £ mates | COS SES | 16 000 | | | | 26 000 |
| Marthur D.; mal | | | PCQW J35 | Water Disposal (2006 BAPO = \$2.25 For 65 | 275 €00 | 501 000 669,000 |
| Ony Pate Mil. Preparation | | | | | | 35,000 |
| 635 | | | PC01/125 | | 0 | |
| FILM | | | PCO'2 130 | | 0 | 92,000 |
| Water for Dr Hing Rig (flot Fran Water, | | | PCON 135 | | 0 | 29,000 |
| Mud & Add to es | | | | | | 250,000 |
| Suitace Rentals | COR 140 | 6,500 | | Sand Separator and from (30 days) | 33,000 | 350,500 |
| Howback Lation Downhole Rental: | | | PCOM 141 | Floreback hands (30 days) | 60,000 | 60,000 122,000 |
| Automation Labor | CON 150 | 200 38 | PCOM 150 | | 0 | |
| Formation Evaluation (DST, Coring, etc.) | | 73.000 | 7 40.07 724 | | • | 0 |
| Mustagging | | | | | | 29,000 |
| Open Hale Logging | | | | | | 0 |
| Cementing & Float Equipment | | | | | | 325.000 |
| Tub da Impertions | | | PLOM 160 | | 0 | 42.000 30.000 |
| Casing Crews Mentionical Labor | CON 1/0 | 220.500 | PC 00/2 170 | | 0 | |
| Tracking Transportation | CON 175 | 42,000 | | | 0 | |
| Suproven | CGN 183 | | 94 0M 120 | | 0 | |
| Trafer HauserCamp Catering | | | | | | 78,000 |
| Other 13 sc Expense. | CGR, 190 | 20,000 | PCOM 165 | | 6 | |
| Ownest | | | | | | 15.000 |
| Pemedal Centerting | | | PC05/275 | | 0 | |
| MOS/DIMOS Direct and Drafting Services | | | | | | 400,000 216,000 |
| Solids Control | | | | | | 77 000 |
| Well Control Eq. p (Snobbing Services) | | | PCOM 230 | | 0 | |
| Enhing & Sidetrack Services | | | PC01/245 | | 0 | 0 |
| Complet on Rig | | | PCO'\! 115 | | 0 | |
| Coil Tubing Services | | | PCON 260 | | 0 | 271,000 |
| Completion Engging/Perforating/Wireline | | | PCON/390 | | 0 | |
| Composite Plugs Stimulation Pumping/Chemicah/Additives/Sand | | | PCON 210 | | 0 | 4.064.000 |
| Stimulation Water/Mater Transfer/Water Storage | | | 100.00 | | • | 882,000 |
| Cintares Disned Frac/Rental Equipment | | | PCON.305 | | 0 | 42 000 |
| Legal/Regulatory/Corative | CON 300 | 0 | | | | 10,000 |
| Well Control Insurance | | | | | | 7.000 |
| Real Time Operations Center | | | | | | 0 |
| FL/GL + Libbr FL/GL - Supervision | CON 505 | 73 500 | | | | 73.520 |
| Survey | CON 515 | 0 | | | | 0 |
| SVD-Other - Labor | CON: 600 | 0 | | | | 0 |
| SWOLDTHER SUPERVISION | CQ1: 603 | 0 | | | | 0 |
| Contrigency | CO1: 220 | 183,000 | PCOV-320 | 10% | 38 000 | 694.000 |
| Contragency | CGN: 221 | 11,000 | | | | 11 000 |
| PSA Cests | | 754500 | | | 416 833 | 11 199,500 |
| Total Mangole Cost Drive Ripe | | 784.500 | | | 416 030 | 0 |
| Conflictor Pipe | | | | | | 0 |
| Water String | | | | | | 0 |
| Surface Caring | | | | | | 14 000 |
| Intermediate Coving 1 | | | | | | 121,000 |
| Intermediate Casing 2 | | | | | | 0 |
| Dilbing Liner Production Casing or Liner | | | | | | 0 000,811- |
| Production for Back | | | | | | -110,000 |
| tuinni | | | PCOMT 105 | | 0 | 59,000 |
| Welliand fire Chriss | | | PCONU 120 | | 0 | 65,000 |
| Einer Hanger, Biolation Packer | | | | | | 0 |
| Pa ker tipples | | | PODUTACE | | 0 | 15,000 |
| Purping Unit Engine Downtole Lift Equipment | | | PCOMT 105 PCOMT 410 | | 0 | 0 80,000 |
| Striage Equipment | | | FCOMT #20 | | 0 | 8,000 |
| Well A itomation Materials | | | FC01/1 455 | | e | ٥ |
| Tetal Tanglete - Well Equipment Cost | | | | | 0 | 772,000 |
| ## C Seast Equipment | COME RE | 245.000 | | | | 245,000 |
| Tatiks, Tatiks Step. Stairs | CONT STS | 176 500 | | | | 176,500 |
| Battery Equipment | CONTAIN CONTAIN | 357,000 | | | | 357,000 79,000 |
| Secondary Containments Ow thead Power Distribution | CONT 415 | 79,000 91,000 | | | | 91,000 |
| facility Electrical | CO'47 423 | 134 500 | | | | 134,500 |
| Teleronimum cation Equipment | CONT 426 | 0 | | | | 0 |
| Milk is and Metering Equipment | CO'47 435 | 26.500 | | | | 26,500 |
| facility Line Pape | CONTASC | 70.600 | | | | 70,000 |
| Leave Automation Material | CO107.550 | 115.006 | | | | 115.000 7.500 |
| Etyist - Materials Etyist - Line Pipe | COST 553 | 7,500 15,000 | | | | 15,000 |
| SVD/Qither - Materials | COULT 650 | 0 | | | | 0 |
| SWD, OTHER - EIGH PIPE | COST 655 | 0 | | | | 0 |
| leta langue - Lesse Lquipment Cost | | 1,317,000 | | | | 1.317,000 |
| Total Estimated Cost | | 2,101,500 | | | 416,000 | 13,288,500 |

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II RLLS First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

Section

15

Township

29Ĕ

UL or lot no.

D

360

State of New Mexico Energy, Minerals & Natural Resources Department **OIL CONSERVATION DIVISION** 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

County

EDDY

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Numbe | r | ² Pool Code | ³ Pool Name | |
|-----------------|---|------------------------|---------------------------------------|------------------------|
| 4 Property Code | | | Property Name 5-14 NORTH STATE COM | Well Number 2H |
| 7 OGRID No. | | | Operator Name REX ENERGY CO. | * Elevation 3344.5' |

"Surface Location

| UL or lot mo. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County H 14 19S 29E 1915 NORTH 100 EAST EDDY | | 31 | Bottom H | ole Location If | Different From | Surface | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------|----|----------|-----------------|----------------|---------|--|
| | | | Lot Idn | | | | |

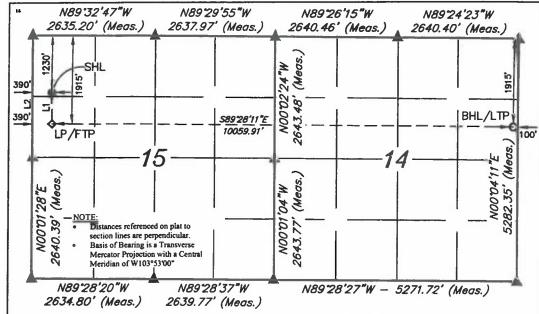
North/South line

NORTH

Feet from the

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

Feet from the



Lot Idn

| LINE TABLE | | | | | | | |
|-----------------------|-------------|---------|--|--|--|--|--|
| LINE DIRECTION LENGTH | | | | | | | |
| L1 | S00°03'28"E | 685.05' | | | | | |
| L2 | N00°03'11"W | 2642.43 | | | | | |

NAD 83 (SURFACE HOLE LOCATION) LATITUDE = 32°39'52.81" (32.664670°) LONGITUDE = 104°04'11.79" (104.069943°) NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32°39'52.39" (32.664553°) LONGITUDE = 104°04'09.97" (104.069436° STATE PLANE NAD 83 (N.M. EAST) N: 605638 70' F: 622391 02'

NAD 83 (BHL/LTP) LATITUDE = 32°39'45.28" (32.662576°) LONGITUDE = 104°02'14.12" (104.037255° NAD 27 (BHL/LTP) LATITUDE = 32°39'44.85" (32.662458°) LONGITUDE = 104°02'12.30" (104.036749°)
STATE PLANE NAD 83 (N.M. EAST) N: 604903.37' E: 632452.21' STATE PLANE NAD 27 (N.M. EAS STATE PLANE NAD 27 (N.M. EAST) N: 605576,35' E: 581211.31' N: 604840.97' E: 591272.49'

- = SURFACE HOLE LOCATION
- = LANDING POINT/FIRST TAKE POINT
- = BOTTOM HOLE LOCATION/ LAST TAKE POINT
- = SECTION CORNER LOCATED



DRAWN BY: C.M.T. 11-30-18

"OPERATOR CERTIFICATION

I hereby certify that the information cor herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuan to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

| Signature | Date |
|--------------|-------------|
| Printed Name | |

E-mail Address

East/West line

WEST

"SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Date of Survey Signature and Seal of Professional Surveyor



Certificate Number:

Case Nos. 20395, 20396, 20397, 20398





December 10, 2018

Hollis Galesi 30 Galesi Drive Wayne, NJ 07407

Re:

Proposal to Drill

Parkway 15-14 North State Com 2H

Sections 15 & 14, Township 19 South, Range 29 East

Eddy County, New Mexico

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 North State Com 2H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1150' FNL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 1915' FNL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 North State Com 2H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

Riley C. Morris, RPL rmorris@cimarex.com

432,620,1966

Case Nos. 20395, 20396, 20397, 20398

Exhibit C.15-14 North 2H

ELECTION TO PARTICIPATE Parkway 15-14 North State Com 2H

| | Hollis Galesi elects TO participate in the proposed Parkway 15-14 North State Com 2H well. |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Hollis Galesi elects NOT to participate in the proposed Parkway 15-14 North State Com 2H well. |
| Dated this day of | , 2018. |
| Signature: | |
| Title: | |
| | |
| If your election above is | s TO participate in the proposed Parkway 15-14 North State Com 2H well, then: |
| | Hollis Galesi elects TO be covered by well control insurance procured by Cimarex Energy Co. |
| | Hollis Galesi elects NOT to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co. |



Authorization For Expenditure Drilling

AFE # 26619024

Date Preplaced 12/10/2018

Exploration Region

Company Entity

Well Hame

Permed

Property Lumber

415

Permian Basin

22-19 1 421 115

PARKWAY 15-14 NORTH STATE COM New Mexico Bone Spring Pros 2H (Eddy) 309775-295.01

26619024

Court. State

Lether

Estimated Sport

Estimated Completion

Eddy, NM

S/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New Mexico

4/15/2019

8/1/2019

X New

Former in

Is all Type

Till Monjured Depti-

Tri Vest tall Depth

Supplement Revision

Bone Spring 3 /Sd/

DEV

18,980

8,840

Purcuse:

Drill and complete well

Description

(**) 27 Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12*/100' initial build rate to +/- 90 degrees and 840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GtVs.

| Intangible Drilling Costs | Dry +1 de \$2,843,000 | After Casing Pen t | Completed Well Cost \$2,843,000 |
|---------------------------|--------------------------|--------------------|------------------------------------|
| Completion Costs | | \$7,729,000 | \$7,729,000 |
| Total Intangible Cost | \$2,843,000 | \$7,729,000 | \$10,572,000 |
| Tangible | Ď, sid | Arter County Penn | Completed Well Cour |
| Well Equipment | \$155,000 | \$617,000 | \$772,000 |
| Lease Equipment | | \$241,500 | \$241,500 |
| Total Tangible Cost | \$155,000 | \$858,500 | \$1,013,500 |
| Total Well Cost | \$2,998,000 | \$8,587,500 | \$11,585,500 |

Comments On Well Costs

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

Lelect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonopidator Approval

Company

Approved By (Post Name)

Approved By (Signature)

100

NOTICE TO NONOPERATOR. Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018

Case Nos. 20395, 20396, 20397, 20398

^{1.} All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.



| | BCP - | Drilling | ACP- | Drilling | Com | p/Stim | Product | ion Equip | Post Co | mpletion | Total |
|------------------------------------------------|----------|-----------|-----------|-----------|------------------------|-----------|----------|------------------|-----------|----------|-------------|
| Description | Codes | Aincont | | Aincrint. | | Arricent | Codes | Amount Amount | | Arrount | Cost |
| Roads & Location | DIDC 100 | 200,000 | | | STUL 100 | 5.000 | | 0 | | 10,000 | 215,000 |
| Damages | DIDC.105 | 10,000 | 1 | | | 2,200 | CON.105 | 5,000 | | 10,000 | 15,000 |
| Mud/Fluids Disposal | DIDC255 | 180,000 | | | STIM.255 | 46,000 | | 3,000 | PCOM.255 | 275,000 | 501,000 |
| Day Rate | DIDC.115 | 569,000 | DICC 120 | 100,000 | 01 | 40,000 | | | | 273,000 | 669,000 |
| Misc Preparation | DIDC 120 | 35,000 | | | | | | | | | 35,000 |
| Bets | DIDC 125 | 85,000 | DICC.125 | 0 | STIML 125 | 0 | | | PCOM.125 | 0 | 85,000 |
| Fuel | DIDC:135 | 92,000 | DICC.130 | o | | v | | | PCOM.130 | ő | 92,000 |
| Water for Drilling Rig (Not Frac Water) | DEDC.140 | 5,000 | D(CC.135 | o | STIAL 135 | 24,000 | | | PCONL135 | 0 | 29,000 |
| Mud & Additives | DDC145 | 250,000 | : | · | 21/11/13/ | 24,000 | | | 10011133 | v | 250,000 |
| Surface Rentals | D(DC150 | 95,000 | DICC 140 | 0 | STIM. 140 | 346 000 | CON.140 | 6 500 | PCONL140 | 33,000 | |
| Flowback Labor | 000.130 | \$3,000 | DICCITO | v | STM.141 | 216,000 | CONLINE | 6,300 | PCOML141 | | 350,500 |
| Downhole Rentals | DIDC155 | 122.000 | | | | 0 | | | PCONL145 | 60,000 | 60,000 |
| Automation Labor | 000.133 | 122,000 | | | STIM 145 | 0 | CO4.450 | | | 0 | 122,000 |
| | DEDC.160 | | | | | | CONL150 | 19,000 | PCOML150 | 0 | 19,000 |
| Fornation Evaluation (OST, Coring, etc.) | | 0 | | | STIM: 150 | 0 | | | | | 0 |
| Med Logging | DIDC.170 | 29,000 | | | | | | | | | 29,000 |
| Open Hole Lagging | DIDC.180 | 0 | | | | | | | | | 0 |
| Cementing & Float Equipment | DIDC.185 | 150,000 | | 175,000 | | | | | | | 325,000 |
| Tubular Inspenions | DEDC.190 | 35,000 | DICC 160 | 5,000 | | 2,000 | | | PCOM.160 | 0 | 42,000 |
| Casing Crews | DIDC 195 | 10,000 | DICC.165 | 20,000 | STIML165 | 0 | | | | | 30,000 |
| Mechanical Labor | DIDC.200 | 15,000 | DICC.170 | 5,000 | STIM. 170 | 0 | CONL170 | 124,500 | PCOM.170 | 0 | 144,500 |
| Trucking/Transportation | DIDC.205 | 20,000 | DICC.175 | 15,000 | STIML 175 | 7,000 | CONL175 | 15,000 | PCOML175 | 0 | \$7,000 |
| Supervision | DIDC210 | 111,000 | DICC.180 | 16,000 | \$TIM.180 | 87,000 | CON180 | 11,000 | PCOM.180 | 0 | 225,000 |
| Trailer House/Camp/Catering | DIDC280 | 32,000 | DICC255 | 4,000 | STIM.280 | 42,000 | | | | | 78,000 |
| Other Misc Expenses | DIDC.220 | 3,000 | DICC.190 | 0 | STIM.190 | 0 | CON 190 | 10,000 | PCOM.190 | 0 | 13,000 |
| Overhead | DIDC.225 | 10,000 | DICC 195 | 5,000 | | _ | | | | | 15,000 |
| Remedial Cementing | DIDC231 | 0 | | | STIM.215 | 0 | | | PCOM 215 | 0 | 0 |
| MOB/DEMOR | DIDC240 | 250,000 | | | | • | | | | • | 250,000 |
| Directional Drilling Services | DIDC 245 | 216,000 | | | | | | | | | 216,000 |
| Solids Control | DIDC.260 | 77,000 | | | | | | | | | 77,000 |
| Well Control Equip (Snubbing Services) | DIDC.265 | 90,000 | DICC 240 | 0 | STIM 240 | 98.000 | | | PCOM.240 | 0 | 188,000 |
| Fishing & Sidetrack Services | DIDC.270 | 0 | DICC24S | o | STIM.245 | 0.000 | | | PCOM245 | o | 0 |
| Completion Rig | 0000 | v | 544 | v | STIM 115 | 21,000 | | | PCOM.115 | 0 | 21,000 |
| Coil Tubing Services | | | | | STIM260 | 271,000 | | | PCOM.250 | 0 | 271,000 |
| Completion Logging/Perforating/Vireline | | | | | | , | | | PCOM200 | | - |
| | | | | | STIM.200 | 418,000 | | | | 0 | 418,000 |
| Composite Plugs | | | | | STIM 390 | 95,000 | | | PCOM.390 | 0 | 95,000 |
| Stimulation Pumping/Chemicals/Additives/Sand | | | | | STIML210 | 4,064,000 | | | PCOM210 | 0 | 4,064,000 |
| Stimulation Water/Water Transfer/Water Storage | | | | | STIML395 | 882,000 | | | | | 882,000 |
| Cimeres Owned Frac/Rental Equipment | | | | | STDM.305 | 42,000 | | | PCOML305 | 0 | 42,000 |
| Legal/Regulatory/Curative | DIDC300 | 10,000 | | | | | CON.300 | 0 | | | 10,000 |
| Well Control Insurance | DIDC.285 | 7,000 | | | | | | | | | 7,000 |
| Real Time Operations Center | DIDC.560 | 0 | | | STIML560 | 0 | | | | | 0 |
| FL/GL - Labor | | | | | | | CON.500 | 73,500 | | | 73,500 |
| FL/GL - Supervision | | | | | | | CON.505 | 0 | | | 0 |
| Survey | | | | | | | CONS15 | 0 | | | 0 |
| SWD/Other - Labor | | | | | | | CON400 | 0 | | | 0 |
| SWD/OTHER - SUPERVISION | | | | | | | CON.605 | 0 | | | 0 |
| Contingency | DIDC.43S | 135,000 | DICC.220 | 17,000 | STIM.220 | 316,000 | CON.220 | 40,500 | PCOM.220 | 38,000 | 546,500 |
| Contingency | | | | | | | CON 221 | 10,000 | | | 10,000 |
| P&A Costs | DIDC 295 | 0 | DICC.275 | 0 | | | | | | | 0 |
| Total Intangible Cor: | | 2,843,000 | | 362,000 | | 6.636,000 | | 315,000 | | 416,000 | 10,572,000 |
| Orive Pipe | DWEB.150 | 0 | | ***** | | | | 7.000 | | 45455 | 0 |
| Conductor Pipe | DWEB.130 | ŏ | | | | | | | | | 0 |
| Water String | DWE8 135 | 0 | | | | | | | | | 0 |
| Surface Casing | DWEB 140 | 14,000 | | | | | | | | | 14,000 |
| Intermediate Casing 1 | OWEB.145 | 121,000 | | | | | | | | 7.9 | 121,000 |
| Intermediate Casing 2 | DWEB.155 | 0 | | | | | | | | | 0 |
| Dnilling Liner | DWE8 160 | 0 | | | | | | | | | ō |
| Production Casing or Liner | | U | DAVEA 100 | 418,000 | | | | | | | 418,000 |
| Production Tir-Back | | | DAVEA 165 | | STRAT NO | | | | | | |
| Tubing | | | AMEN 183 | 0 | STIMT.101 STIMT.105 | 0 | | | PCOMT.105 | | 0 |
| Wellhead, Tree, Chokes | DWEB 115 | 20.000 | - | 20.000 | | 59,000 | | | PCOMT.120 | 0 | 59,000 |
| | | | DAYEA 120 | | STIMT.120 | 25,000 | | | PCOM1.120 | 0 | 65,000 |
| Liner Hanger, Isolation Packer | DWEB 100 | 0 | DIVEA.125 | 0 | | | | | | _ | 0 |
| Packer, Nipples | | | | | STIMT.400 | 15,000 | | | PCOMT.400 | 0 | 15,000 |
| Pumping Unit, Engline | | | | | STEMT.405 | 0 | | | PCOMT.405 | 0 | 0 |
| Downhale Lift Equipment | | | | | STIMT.410 | 80,000 | | | PCONT.410 | 0 | 80,000 |
| Surface Equipment | | | | | | | | | PCOMTA20 | 0 | 0 |
| Well Automation Materials | | | | | | | | | PCOMT.455 | 0 | 0 |
| Total Tangible - Well Equipment Cost | | 155,000 | | 438,000 | | 179,000 | | | | 0 | 772,000 |
| N/C Lease Equipment | | | | | | | CONT.400 | 118,500 | | | 118,500 |
| Tanks, Tanks Steps, Stairs | | | | | | | CONT.405 | 0 | | | 0 |
| Battery Equipment | | | | | | | CONTA10 | 46,000 | | | 46,000 |
| Secondary Containments | | | | | | | CONT.415 | 9,000 | | | 9,000 |
| Overhead Power Distribution | | | | | | | CONT.420 | 0 | | | 0 |
| Facility Electrical | | | | | | | CONT.425 | 0 | | | 0 |
| Telecommunication Equipment | | 1 | | | | | CONT.426 | 0 | | 7 | 0 |
| Meters and Metering Equipment | | 1 | | | | | CONT.445 | 8,500 | | | 8,500 |
| Facility Line Pipe | | | | | | | CONTASO | 14,000 | | | 14,000 |
| Lease Automation Maserials | | | | | | | CONT.455 | 23,000 | | | 23.000 |
| FL/GL - Materials | | | | | | | CONT.550 | 7,500 | | | 7,500 |
| FL/GL - Line Pipe | | | | | | | CONT.555 | 15,000 | | | 15,000 |
| SWD/Other - Materials | | | | | | | CONT.650 | 13,000 | | | 15.000 |
| SWD/OTHER - LINE PIPE | | | | | | | CONT.655 | 0 | | | ő |
| Total Tangible - Loise Equipment Cost | | | | | | | | | | | |
| Total Estimated Cost | | 2,998,000 | | 800,000 | | # B42 A44 | - | 241,500 | - 1 | 416,000 | 241,500 |
| rous Estimated Cost | | | | | | 6,815,000 | | 556,500 | | 7.4440 | 1 1,243,244 |

CIMAREX Authorization For Expenditure - PARKWAY 15-14 NORTH STATE COM 2H

| | | BCP - Drilling | | | ACP - Drilling | | | Comp/Stim | |
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| Description | Codes | | Arrigunt | Codes | | Amount | Codes | | Arnour |
| Roads & Location | DIDC100 | | 200,000 | 1 | | | STDV.100 | | 5,00 |
| Damages | DEDC.105 | | 10,000 | | | | | | 1 |
| Mud/Fluids Disposal | DIDC.255 | | 180,000 | | | | STUM 255 | | 46,00 |
| Day Rate | DIDC.115 | 22 days at \$25,000/day | 569,000 | | 4 days at \$25,000/day | 100,000 | | | |
| Misc Preparation | DIDC.120 | | 35,000 | | | | 1 | | |
| Brts . | DIDC 125 | | 85,000 | | | 0 | STIM.125 | | 1 |
| Fuel | DIDC.135 | | 92,000 | | | 0 | | | |
| Water for Drilling Rig (Not Frac Water) | DIDC.140 | | 5,000 | | | 0 | | | 24,00 |
| Mud & Additives | DIDC.145 | | 250,000 | • | | | | | |
| Surface Rentals | | Per Day (BCP)/Jay | | DICC.140 | | 0 | STIM.140 | | 216,00 |
| Flowback Labor | DIOC 130 | rer day (acritaly | 93,000 | : | | 0 | STPA141 | | 2.0,00 |
| Downhole Rentals | Diberre | | | | | | STIM.145 | | 1 |
| | DIDC.155 | | 122,000 | | | | 31,000,143 | | |
| Automation Labor | | | | | | | ******* | | ř. |
| Formation Evaluation (OST, Coring, etc.) | DIDC.160 | | 0 | | | | STIM.150 | | |
| Mud Lagging | DIOC.170 | | 29,000 | | | | | | |
| Open Hole Lagging | DIDC.180 | | 0 | | | | | | |
| Cementing & Float Equipment | DIDC.185 | | | DICC.155 | | 175,000 | | | 1 |
| Fubular Inspections | DIDC.190 | | | DICC.160 | | 5,000 | | | 2,00 |
| Casing Crews | DIDC195 | | 10,000 | . DKC165 | | 20,000 | STIM.16S | | 1 |
| Mechanical Labor | UDC200 | | 15,000 | DICC.170 | | 5,000 | STIM.170 | | 1 |
| Trucking/Transportation | DIDC.205 | | 20,000 | DICC.175 | | 15,000 | \$10A,175 | | 7,00 |
| Supervision | DIDC210 | | 111,000 | DICC_180 | | 16,000 | STIM.180 | | 87,00 |
| Trailer House/Camp/Catering | DIDC.280 | | | DICC255 | | 4,000 | STIM 280 | | 42,00 |
| Other Misr Expenses | - DIDC 220 | | | DICC.190 | | 0 | | | 1 |
| Overhead | DIDC 225 | | 10,000 | | | 5,000 | | | 1 |
| Remedial Comerting | DIDC 231 | | 10,000 | | | -,000 | \$11M.215 | | 1 |
| MOS/DEMOS | DIDC246 | | 250,000 | | | | | | |
| Directional Onling Services | 0:00.245 | | | : | | | | | |
| _ | | | 216,000 | | | | | | |
| Solids Control | DIDC.260 | | 77,000 | | | 0 | STIM.240 | | 98,00 |
| Well Control Equip (Snubbing Services) | | | | 0100246 | | | | | 30,00 |
| Fishing & Sidetrack Services | DIDC.270 | | 0 | OKC245 | | 0 | \$11M.245 | | ī |
| Completion Rig | | | | | | | \$11M.115 | | 21,000 |
| Coil Tubing Services | | | | | | | STIM.260 | | 271,000 |
| Completion Logging/Perforating/Wireline | 1 | | | | | | STIM 200 | | 418.000 |
| Composite Plugs | | | | | | | 51MJ90 | | 95,000 |
| Stimulation | | | | | | | STPM.210 | | 4,064,000 |
| Stimulation Water/Water Transfer/Water | | | | | | | STIM.395 | | 882,000 |
| Cimarex Owned Frac/Rental Equipment | 1 | | | | | | STIM.305 | | 42,000 |
| Legal/Regulatory/Curative | DIDC.300 | | 10,000 | | | | | | |
| Well Control Insurance | D(DC.285 | \$0.35/ft | 7,000 | | | | | | 1 |
| Real Time Operations Center | DIDC 560 | | 0 | | | | \$11ML560 | | |
| FL/GL - Labor | | | | | | | | | |
| FL/GL - Supervision | | | | | | | | | |
| Survey | | | | | | | | | |
| | | | | | | | | | |
| SWD/Other - Labor | | | | | | | | | |
| SWO/OTHER - SUPERVISION | | | | | | | 4 TO 4 TO 5 | | 316,000 |
| Contingency | DIDC.435 | 500 % of Dniling Intangibles | 135,000 | DICC220 | | 17,000 | \$TM4.229 | | 3 10,000 |
| Contingency | 1 | | | | | | | | 1 |
| P&A Costs | DIDC.295 | | 0 | DICC.275 | | 0 | | | |
| Total Intengible Cost | | | 2.843,000 | | | 362,000 | | | 6.636,000 |
| Drive Pipe | DWEB.150 | | 0 | | | | | | |
| Conductor Pipe | DWEB_130 | | 0 | | | | | | |
| Water String | DWEB.135 | | 0 | | | | | | 1 |
| Surface Casing | DWEB.140 | 13 3/8" - 400ft at \$35.00/ft | 14,000 | : | | | | | <u> </u> |
| Intermediate Casing 1 | | 9 5/8" - 3,460ft at \$35,00/ft | 121,000 | | | | | | 4 |
| Intermediate Casing 2 | DWEB.155 | | 0 | | | | | | |
| Drilling Liner | DWER 160 | | 0 | | | | | | |
| Production Casing or Liner | | | v | DWEA 160 | \$ 1/2" - 18,980h at \$22.00/ft | 418,000 | | | |
| Production Tie-Back | | | | DWEA 165 | , | | STD47.101 | | . 0 |
| | | | | UNICKIO | | • | | 2 7/8" - 8,460ft at \$7.00/ft | 59,000 |
| Tubing | DWEB. 115 | | 30.00- | DWEA.120 | | 20.000 | ST04T.120 | 5 . yo 6, -001t at a . 004tt | 25,000 |
| Wellhead, free, Chokes | | | | | | 20,000 | 319#1.129 | | 23,000 |
| Liner Hanger, Isolation Packer | DWEB.100 | | 0 | DWEA.125 | | 0 | | | |
| Packer, Nipples | | | | | | | \$T04T.400 | | 15,000 |
| Pumping Unit, Engine | | | | | | | ST041.405 | | 0 |
| Downhole Lift Equipment | | | | | | 1 | STRATATO | | 80,000 |
| Surface Equipment | | | | | | | | | |
| Well Automation Materials | | | | | | | | | |
| Total Tangible - Well Equipment Cost | | | 155.000 | | | 438,000 | | | 179,000 |
| N/C Lease Equipment | | | 22.000 | | | | | | 1 |
| Fanks, Tanks Steps. Stairs | | | | | | | | | i i |
| Battery Equipment | | | | | | | | | 1 |
| Secondary Containments | | | | | | | | | |
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| Machine | Mud/Fluids Disposal | | | PCOM 255 | Water Disposal (2000 BWPO @ \$2.25 for 60 | 279 | 5,000 | - |
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| Mart | | | | | | | | |
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| No. | | | | | | | | |
| Semple | Cementing & Float Equipment | | | | | | | 325,000 |
| Mechanical Labor | Tubular Inspections | | | PCOM.160 | | | 0 | 42,000 |
| Tracking Principation CON 155 \$5,000 PCMA 150 \$7,700 \$2,500 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7,700 \$7, | Casing Crevis | | | | | | | 30,000 |
| Separation | | | 124,500 | | | | 0 | |
| Tribit T | | | 15,000 | | | | - | |
| Dear Hors Expenses CON 130 1,000 PCMA 190 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1, | | CON.180 | 11,000 | PCOM.180 | | 1 | 0 | |
| Description | | ***** | | | | | 1 | |
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| MORPORADO MORP | | | | PC014.315 | | | | |
| Sectional Dring Services | • | | | PEUM213 | | | : | |
| Kefeb Control Well Control Equip Gradeling Services** P. CON J2-C 0 188,000 Falhing & Selderad Services** P. CON J2-C 0 188,000 Completion Rig P. CON J2-C 0 2 1000 Con Tubung Services** P. CON J2-C 0 2 11000 Completion Region Fred Featuring Michael Composition Plags P. CON J2-C 0 418,000 Semulation Memory Chemicals Additions Asiand P. CON J2-C 0 456,600 Semulation Memory Chemicals Additions Asiand P. CON J2-C 0 456,600 Semulation Memory Chemicals Additions Asiand P. CON J2-C 0 406,600 Semulation Memory Chemicals Additions Asiand P. CON J2-C 0 406,600 Commission Memory Chemicals Additions Asiand P. CON J2-C 100,000 Commission Memory Chemicals Asian A | | | | | | | | |
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| Composite Plags | - | | | PCOM260 | | | 0 | |
| Smuduino Numong/Chemcha/Addishers/And \$4,000 \$4,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 | Completion Logging/Perforating/Wireline | | 200 | PCOM 200 | | | o | 418,000 |
| Semulation Water/Water Turnets/Water Sunger (CM 300 | | | | PCOM.390 | | 1 | 0 | 95,000 |
| Comparing Comp | Stimulation Pumping/Chemicals/Additives/Sand | | | PCONI210 | | | 0 | 4,064,000 |
| Image Imag | Stimulation Water/Water Transler/Water Storage | | | | | | | 882,000 |
| Mar Control Puraturoce | Cimarex Owned Frac/Rental Equipment | | | PCOM 30S | | | 0 | |
| Red Turn Operations Center | | CON 300 | 0 | | | | | |
| Public Color Col | | | 1 | | | | | - |
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| Survey | | | | | | + | - 14 | |
| SWO,DM - Labor | | | | | | | | _ |
| SMO/DRIA - SUPERVISION CON 405 | | | | | | | | |
| Contingency CON 220 40,500 PCOM 220 10% \$8,000 \$46,500 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,0 | | | - | | | | | |
| Contingency CON 221 10,000 10,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,000 20,0 | | | | PCOM.220 | 10% | 3.6 | 000 | _ |
| PABA Corsu Total bramphis Cor. 315,000 416,000 20,572,000 | | | | | | 1. | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | |
| Drive Pipe | | | | | | | | 0 |
| Conductor Pipe | Total Incorptile Cost | | 315,000 | | | 416 | .000 | 10,572,000 |
| Vater String 1 1 1 1 1 1 1 1 1 | Drive Pipe | | | | | | | 0 |
| Surface Casing | Conductor Pipe | | | | | | | 0 |
| Intermediate Casing 1 | | | | | | | | |
| Intermediate Casing 2 | | | | | | | | |
| Drilling Liner | | | | | | | | |
| Production Lesing or Liner Production files Back | | | F: | | | | | |
| Production Tie-Back PCONT.105 PS.000 Ps. | | | | | | | | _ |
| Tubing | | | 1 | | | | | 710,000 |
| Nethread Tree. Chokes PCOMT.120 0 65,000 Liner Hanger, Isolation Packer 0 0 Packer, Napples PCOMT.400 0 15,000 Pumping Unit. Engine PCOMT.405 0 0 Downhole Lift Equipment PCOMT.410 0 80,000 Surface Equipment PCOMT.420 0 0 Well Automation Materials PCOMT.455 0 0 Total Tengalse - Well Equipment CONT.400 118,500 118,500 118,500 NC Lease Equipment CONT.400 118,500 118,500 118,500 Tanks, Tanks Steps, Stairs CONT.400 0 0 Secondary Containments CONT.410 46,000 46,000 Secondary Containments CONT.410 46,000 46,000 Secondary Containments CONT.410 0 0 Secondary Containments CONT.425 0 0 Facility Electrical CONT.425 0 0 Meters and Metering Equipment CONT.426 0 0 Meters and Metering Equipment CONT.435 8,500 8,500 Facility Line Pipe CONT.435 23,000 23,000 Full Containments CONT.435 23,000 23,000 Full Containments CONT.435 14,000 14,000 Full Containments CONT.435 23,000 23,000 FUG Materials CONT.535 15,000 7,500 FUG Materials CONT.535 15,000 0 SWD/Other - Materials CONT.635 0 0 SWD/Other - Materials CONT.635 0 0 SWD/Other - Materials CONT.635 0 0 SWD/Other - Luse Equipment (cot 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,500 241,5 | | | | PCONT IN | | | 0 | - |
| Contract | | | | | | | | |
| Packer, Napples | | | | | | | , i | |
| Pumping Unit, Engine | - | | | PCOMT.400 | | | 0 | |
| Downhole Lift Equipment | • • • • • • • • • • • • • • • • • • • • | | | | | | | 0 |
| PCOMT455 | Downhole Lift Equipment | | | PCOMT.410 | | to: | 0 | 80,000 |
| Total Tangable - Well Equipment CONT 400 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 118,500 | Surface Equipment | | | PCOMT.420 | | 1 | 0 | 0 |
| N/C Lease Equipment CONT.400 118,500 118,500 Tanks, Tanks Steps, Stairs CONT.405 0 0 Battery Equipment CONT.410 46,000 46,000 Secondary Containments CONT.415 9,000 9,000 Overhead Power Distribution CONT.420 0 0 Facility Electrical CONT.425 0 0 Telescommunication Equipment CONT.425 0 0 Meters and Metering Equipment CONT.445 8,500 8,500 Facility Line Pipe CONT.455 8,500 14,000 Lasse Automation Materials CONT.455 23,000 14,000 FL/GL - Materials CONT.550 7,500 7,500 FL/GL - Line Pipe CONT.555 15,000 15,000 SWD/OTHER - Line Pipe CONT.655 0 0 SWD/OTHER - Line Pipe CONT.655 0 0 Total Tangble - Lease Equipment Cost 241,500 241,500 | | 6 | | PCOMT 455 | | | 0 | 0 |
| Tanks, Tanks Steps, Stairs CONT 405 0 46,000 46,000 46,000 46,000 46,000 46,000 46,000 9,000 9,000 9,000 9,000 9,000 9,000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Total Tangible - Well Equipment Cost | | | | | | 0 | |
| Battery Equipment CONTA10 46,000 46,000 Secondary Containments CONTA15 9,000 9,000 Overhead Power Distribution CONTA20 0 0 Facility Electrical CONTA25 0 0 Telecommunication Equipment CONTA26 0 0 Meters and Metering Equipment CONTA45 8,500 8,500 Facility Line Pipe CONTA50 14,000 14,000 Fuse Automation Materials CONTA55 23,000 23,000 FL/GL - Materials CONT-550 7,500 7,500 FL/GL - Line Pipe CONT-555 15,000 15,000 SWD/Other - Materials CONT-655 0 0 SWD/OTHER - LUNE PIPE CONT-655 0 0 Total Tangkhir - Lesse Equipment Cox 241,500 241,500 | | | 118.500 | | | | | 118,500 |
| Secondary Containments | | | | | | | | - |
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| Facility Electrical CONT.425 0 0 0 | | | | | | | | |
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| Facility Line Pipe | | | | | | | | • |
| Lease Automation Materials CONT-455 23,000 23,000 FL/GL - Materials CONT-550 7,500 7,500 FL/GL - Line Pape CONT-555 15,000 15,000 SWD/Other - Materials CONT-650 0 0 SWD/OTHER - LINE PIPE CONT-655 0 0 Total Tangble - Lesse Equipment Cost 241,500 241,500 | | | | | | | | |
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| SWD/OTHER - LINE PIPE CONT 655 0 0 Total Targeble - Lease Equapment Cost 241,500 241,500 | | | | | | | | |
| Total Tangolie - Lesse Equipmons Coa 241,500 241,500 | | CONT.655 | 1 | | | | | . 0 |
| Total Estimated Cost 556.500 416.000 11,585,500 | Total Tangible - Lease Equipment Cost | | | | | 1 | 111 | |
| | Yotal Estimated Cost | | | | | 416 | .000 | 11,585,500 |



Authorization For Expenditure Drilling

AFE # 26619024

Pater Prepared 12/10/2018

troch in Regen

Will List.

France I

From Mylar per

41 -

Permian Basin

PARKWAY 15-14 NORTH STATE COM New Mexico Bone Spring Pros

309775-295.01

26619024

Location

Estimated Spud

Estimated Completion

County State Eddy, NM

S/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New Mexico

(Eddy)

4/15/2019

8/1/2019

X New

Lemmation

Well Type

Til Meas incid Depti-

Tri Vetical Depth

Supplement Revision

Bone Spring 3 /Sd/

DEV

18,980

8,840

Farchie

Drill and complete well

Description

🐫 🎼 Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12*/100' initial build rate to +/- 90 degrees and8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

| Intangible Drilling Costs Completion Costs | Dry Hole \$2,843,000 | After Casing Point \$7,729,000 | Completed Well Cost \$2,843,000 \$7,729,000 |
|--------------------------------------------|-------------------------|--------------------------------|---------------------------------------------------|
| Total intangible Cost | \$2,843,000 | \$7,729,000 | \$10,572,000 |
| Tangible | D•, ≓pie | After Caso a Foot | Cena lated Well (55) |
| Well Equipment | \$155,000 | \$617,000 | \$772,000 |
| Lease Equipment | | \$241,500 | \$241,500 |
| Total Tangible Cost | \$155,000 | \$858,500 | \$1,013,500 |
| Total Well Cost | \$2,998,000 | \$8,587,500 | \$11,585,500 |

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

Lelect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you chouse to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFF, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well

Nenoperator Approval

Company

Approved By (Print Frame)

Approved By (Signature)

()3%

NOTICE TO NONOPERATOR. Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018

Authorization For Expenditure - PARKWAY 15-14 NORTH STATE COM 2H

| December | | Drilling | ACP - | Drilling | | p/Stim | | tion Equip | | mpletion | Total |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|------------|----------|----------------------|-----------|----------------------------------|--------------------------------|--------------------------|-------------------|--------------------------------|
| Description Roads & Locar | CIDC 109 | 200,000 | | 1 | STIMITED | 5 000 | | | PCOX IR | 10 000 | 215 000 |
| Damages | 000010 | 10,000 | | | | 3 000 | CON 165 | 5,000 | | ****** | 15,000 |
| Mud/Fluids Dept oil | DIDC 255 | 180,000 | | | 51tht 255 | 46,000 | | | PC002/255 | 275,000 | 501,000 |
| Day Rate | DIDC 115 | 569,000 | DICC 120 | 100,000 | | | | | | | 669,000 |
| Mic Preparation | DIDC 150 | 35,000 | | | | | | | | | 35,000 |
| B4s | DIDC 125 | 85,000 | | C | | C- | | | PCOM 105 | C- | 85,000 |
| fuel | DIDC 135 | 92,000 | | 0 | | | | | FC012 130 | 0 | 92,000 |
| Water for Uniting Rig (Not Feat Water) | DIDC 140 | 5,000 | DICC 135 | 0 | 5184135 | 24,000 | | | PCOM135 | 0 | 29,000 |
| Mild St Additives Siziace Rentals | DIDC 155 DIDC 155 | 250,000 | DICC 149 | | F 201 2 4 3 | | CC10: 842 | | 24.001.11 | ***** | 250 000 |
| Reviback Lation | Diana 130 | 95,000 | CILC MY | 0 | \$104143 \$184141 | 216,000 | | 6 500 | PCOV 141 | \$3.000 60.000 | 3\$0,500 60,000 |
| Downhole Remail. | DIDC 155 | 122,000 | | | STIAL 1 15 | 0 | | | PCOM 145 | 60,000 | 122,000 |
| Automation Labor | 0,00,113 | 122,000 | | | 31141149 | U | CON: 150 | 19,000 | PCOM 150 | 0 | 19,000 |
| Formation Evaluation (OST Coring etc.) | DIDL 16" | 0 | | | STP2 151 | C | | 19,000 | 7 (0.17 170 | 0 | 0 |
| Madilogging | DIDC 177 | 29,000 | | | | | | | | | 29,000 |
| Open Hole Logging | DIDC 160 | 0 | | | | | | | | | 0 |
| Cementing & Float Equipment | DIOC 153 | 150,000 | DIDU 155 | 175,000 | | | | | | | 325.000 |
| foliate tespo trans | DIDC 190 | 35,C00 | DILC 160 | 5.000 | SR81165 | 2,000 | | | PLOAF 160 | 0 | 42.000 |
| Caring Crean | DEDC 195 | 10,000 | DILC 165 | 20,000 | STP.1165 | 0 | | | | | 30,000 |
| Mechanical Labor | DEDC 200 | 15,000 | DICC 170 | 5,000 | \$100 170 | 0 | COté 170 | 124 500 | PLOM 176 | 0 | 144,500 |
| Trucking/Transportation | DIDC 503 | 20,000 | DICC 175 | 15,000 | 5 HM 175 | 7,000 | CON 175 | 15,000 | PCOM 175 | 0 | 57.000 |
| Supervision | DIDK. 210 | 111,033 | DICC 160 | 16,000 | 51/M 18/3 | 87,000 | CON 150 | 11 000 | PCQM 160 | 0 | 225,000 |
| Trailer House/Camp/Catering | DIDC 280 | 32,000 | DILC 255 | 4 000 | 5384 ANT 2 | 42 000 | | | | | 78.000 |
| Other tilise Expenses | DIDC 230 | 3,000 | Ditt. 146 | 0 | | 0 | CO11190 | 10,000 | PC 0M: 190 | 0 | 13.000 |
| Owinead | DIDC 223 | 10,000 | DICC 195 | 5,000 | | | | | | | 15,000 |
| Remedial Cementing | DIDC 231 | G | | | S184215 | 0 | | | PCON 215 | C | 0 |
| MOS/DEMOE | DIDCSID | 250,000 | | | | | | | | | 250,000 |
| Cirectional Dalling Services | 0000245 | 216,000 | | | | | | | | | 216,000 |
| Sol ds Control | DIOC 260 | 77,000 | | | | | | | | | 77,000 |
| Well Control Equip (Snubb in 3 Sensices) | DIDC 261 | 90,000 | DICC 2:10 | 0 | STIM 24: | 98,000 | | | PLGM 2 TO | 0 | 185,000 |
| Fishing & Sidetrack Services | DIDC 270 | ¢ | DICC 245 | 0 | \$11M 245 | 0 | | | ECCN 512 | 0 | 0 |
| Completion Fig. | | | | | 5183 115 | 21 000 | | | PCCM 113 | e | 21.000 |
| Colling Services | | | | | \$11M 260 | 271,000 | | | PCCM 260 | 0 | 271,000 |
| Completion Logging/Perlocating/AVirekne Companie Plugs | | | | | 51IM 200 51IM 390 | 418,000 | | | PCCM 200 | 0 | 418,000 |
| Stimulation Pumping/Chemicals (Additives Saix) | | | | | \$10M 210 | 95,000 | | | PCC1// 390 PCC1// 210 | 0 | 95.000 |
| Stimulation Water/Water Transfer/Water Storage | | | | | S11M 195 | 4,061,000 | | | ACOLA CIT. | U | 4.064.000 882.000 |
| Cimares Owned Frac/Rental Equipment | | | | | STIM 305 | 42.000 | | | PLOM 365 | 0 | 42,000 |
| Legal Regulatory, Curative | DIDC 306 | 10,000 | | | 511111 30 3 | 42.000 | CON 300 | 0 | | v | 10.000 |
| Well Control Insurance | DIDC 285 | 7.000 | | | | | | • | | | 7,090 |
| Real Time Operations Center | DIDC 560 | C. | | | STIM S60 | 0 | | | | | 0 |
| FL/Gt - Labor | | | | | | • | CON 500 | 73,500 | | | 73,500 |
| FL/GL - Supervision | | | | | | | CONSOS | 0 | | | 0 |
| Survey | | | | | | | CONS15 | 0 | | | 0 |
| SWO: Other - Labor | | | | | | | CO11579 | 0 | | | 0 |
| SWD/OTHER SUPERVISION: | | | | | | | CONFOS | 0 | | | 0 |
| Contingency | DIOC 435 | 135.000 | DICC 226 | 17.000 | S184 220 | 316,000 | CON 220 | 40.500 | PCOAt 220 | 38,000 | 546,500 |
| Contingency | | | | | | | CON 221 | 10,000 | | | 10,000 |
| PNA Costs | DIDC 295 | 0 | DICC 275 | C | | | | | | | 0 |
| Feta Intangible Con | | 2,843,000 | | 362,000 | | 6.636,000 | | 315,000 | | 416 000 | 10,572,000 |
| Drive Pipe | DWE8 150 | 0 | | | | | | | | | 0 |
| Conductor Pipe | DA48 130 | 0 | | | | | | | | | 0 |
| Water String | DAEG 115 | 0 | | | | | | | | | 0 |
| Surface Caking | D'AEB 140 | 14,000 | | | | | | | | | 14,000 |
| Intermediate Caring 1 | D'AEB 145 | 121,000 | | | | | | | | | 121,000 |
| Intermediate Casing 2 | DWE6 155 | 0 | | | | | | | | | 0 |
| Drilling Lines | DAYER 160 | C. | DWEA 100 | | | | | | | | 418 000 |
| Production Casing or Lines Production Tier Basis | | | DAVEA 165 | 418 000 | Staut 101 | | | | | | |
| Tubing | | | 17/16W 103 | 0 | STRAT 105 | 59.000 | | | PLONT 103 | 0 | 59,000 |
| Webbraz Fee Chaler | DAES 115 | 20.000 | DW(A 120 | 20.000 | STEAT 126 | 25 000 | | | PCONT 126 | 0 | 65,000 |
| Uner Hanger, holation Paguer | DAEB 160 | | DWEA 125 | 0 | p - 1101 - 124 | 23600 | | | | U | 03.033 |
| Packer, Ripples | 2-12-01-0 | U | | C | STRAT 450 | 15,000 | | | PEDAT NO | 0 | 15,000 |
| Pamping Unit Engine | | | | | S1841 405 | 15,000 | | | PCCPVT-405 | 0 | 0.000 |
| Downhale Lift Equipment | | | | | \$7001.410 | 80,000 | | | PLOYT HE | 0 | 80.000 |
| Sirfare Equipment | | | | | | 00,000 | | | PCGNT \$20 | Ç. | 0 |
| Well Automation Materials | | | | | | | | | FLONT 155 | 0 | 0 |
| Total Tangble - We'll Equipment Cost | | 155,000 | | -138,000 | | 179,000 | | | | o | 772,000 |
| N C Lease Equipment | | | | | | | CO'(T 45) | 118,500 | | - | 118 500 |
| Tanks Tanks Strip II Store | | | | | | | CONT.405 | 0 | | | 0 |
| Battery Equipment | | | | | | | CONT 410 | 46 000 | | | 46,000 |
| Secondary Contaminents | | | | | | | CONT 415 | 9.000 | | | 9,000 |
| Overhead Power Distribution | | | | | | | CONT 420 | 0 | | | 0 |
| Faniley Electrical | | | | | | | CONT 425 | 0 | | | 0 |
| Telecommunication Equipment | | | | | | | CONT 426 | 0 | | | 0 |
| | | | | | | | CONT 415 | 8 500 | | | 8,500 |
| | | | | | | | | | | | |
| facility tine Prpn | | | | | | | CONF 450 | 14,000 | | | 14,000 |
| Facility tine Piph Lease Automation Wateriotic | | | | | | | CONF 455 | 23,060 | | | 23,000 |
| Facility time Pipm Lease Automation Materiali FLGC - Materiali | | | | | | | CONF 510 | 23.000 7,500 | | | 23,000 7,500 |
| Weiers and Mitter my Equipment Facility time Physics Automatic - Materiolis (L.G Materiolis - L.G Linne P. pe (Simponius - Linne P. pe | | | | | | | CONF 510 CONF 515 | 23,060 7,500 15,000 | | | 23,000 7,500 15,000 |
| Facility tine Priph Lesse Automat of Materioli FLGC - Materioli FLGC - Mine Priph SWD/Other - Materiolis | | | | | | | CONF 555 CONF 555 CONF 656 | 23,060 7,500 15,000 0 | | | 23,000 7,500 15,000 0 |
| acilty Line Pipn ease Automat of Waterioli L.G Materioli L.G Line Pipe WOO,Other - Materioli WOO,Other - Materioli WOO,Other - Materioli | | | | | | | CONF 510 CONF 515 | 23.060 7,500 15 000 0 | | | 23,000 7,500 15,000 0 |
| Tacility tine Pipm Lesse Automation Materiali (L.G Materiali (L.G Iane Pipe | 1 | 2,998,000 | | 800,000 | | 6,815,000 | CONF 555 CONF 555 CONF 656 | 23,060 7,500 15,000 0 | | 416,000 | 23,000 7,500 15,000 0 |



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE COM 2H

AFE # 26619024

| | | BCP - Drilling | | | ACP - Drilling | | | Court Wiles | |
|------------------------------------------|------------|-------------------------------|-----------|-----------|------------------------------|---------|------------|---------------------------|-----------|
| Description | 15.36 | | 100 | : (5.5 | ACF - Utiling | p* . | 50 ** | Comp/Stim | ali esta |
| Poads & Location | DIDC 10 | | 200,000 | | | | 5TP# 166 | | 5.000 |
| Dunieges | DIDC 10 | 15 | 10,009 | | | | | | 3000 |
| Mud/Fluids Disposal | DIDC.25 | is | 180.000 | | | | \$184,255 | | 46,000 |
| Day Rate | DIDC.11 | 5 22 days at \$25,000/day | | | 4 days at \$25,000/day | 100,000 | | | 40.000 |
| Misc Preparation | BIDC.12 | 0 | 35,000 | | | | | | |
| \$15s | DIDC.12 | 5 | | DICC.125 | | 0 | \$107.125 | | 0 |
| fuel | CHDC 13 | 5 1,150 gal/day at \$3.00/gal | | DICC.130 | | 0 | | | v |
| Water for Uniting Rig (Not Fruc Water) | LIDC.14 | 3 | | DICC.135 | | c | | | 24,000 |
| Mud & Additives | DIDC.14 | 5 | 250,000 | | | | | | 2-,000 |
| Surface Rentals | DIDC 15 | 9 Per Day (BCP) /Jay | | DICC 140 | | 0 | STPM 140 | | 216,000 |
| Flowback Fabor | | | | | | | \$1JM,141 | | 0 |
| Dawnhole Rentals | DEDC.15 | 5 | 122,000 |) | | | STRATAS | | o o |
| Automation Labor | | | | | | | | | |
| Fannation Evaluation (DST Coring etc.) | DIDC 16 |) | 0 | , | | | \$100.150 | | e |
| Mud Logging | DIDC 17 | 0 20 days at \$1,200/day | 29,000 | ı | | | | | |
| Open Hole Logging | DIUC 18: | | 0 | | | | | | |
| Cementing 5: Float Equipment | DIDC 18: | 5 | 150,000 | DICC.155 | | 175,000 | | | |
| Tubular Inspections | DIDC 190 | > | 35,000 | DICC 160 | | 5,000 | STIM 160 | | 2,000 |
| Casing Crews | DIDC 195 | 3 | | DICC.165 | | 20,000 | STEM. IGS | | 0 |
| Mechanical Labor | DIDC 200 |) | 15,000 | DICC 170 | | 5,000 | \$100.170 | | 0 |
| fruding/fransportation | DRIVC 201 | | 20,000 | DICC 175 | | 15.000 | ST07 175 | | 7,000 |
| Supervision | DIDC 215 |) | 111,669 | DSC 180 | | 16,000 | \$100,180 | | 87,000 |
| Trailer House Camp/Catering | DIDC.280 | 1 | 32,000 | | | 4,000 | STM1.280 | | 42,000 |
| Other Misc Expenses | DIDC 220 |) | 3,000 | | | 0 | \$104,190 | | 0 |
| Overhead | DIUC 225 | | 10,300 | | | 5,000 | | | |
| Remedial Cementing | DIDC 231 | | 0 | | | 0,000 | \$894.215 | | 0 |
| MOB/DEMOR | DIDC 240 | | 250,000 | | | | | | |
| Directional Drilling Services | DIDC 245 | | 2.6,000 | | | | | | |
| Solids Control | DIDC 260 | | 77,000 | | | | | | |
| Well Control Equip (Struttling Services) | DIDC 265 | | | DICC 240 | | 0 | STIM 240 | | 00.000 |
| Fishing & Sidetrack Services | DIDC 270 | | | DXCC 245 | | ٥ | SIM1245 | | 98 000 |
| Completion Rig | | | • | | | | \$104,115 | | 21.000 |
| Coil Tubing Services | | | | | | | \$117.260 | | 21,000 |
| Completion Logging/Perforuting/Wireline | | | | | | | \$114.200 | | 271,000 |
| Composite Plugs | | | | | | | ST02.390 | | 418,000 |
| Stimulation | | | | | | | | | 95,000 |
| Stimulation Water/Water Transfer/Water | | | | | | | STRAZIO | | 4,064,000 |
| Cinares Owned Frac/Rental Equipment | | | | | | | \$114.395 | | 882.000 |
| Legal/Regulatory/Curative | DIDC:300 | | ***** | | | | STIV 305 | | 42,000 |
| Well Control Insurance | DIDC 285 | 40 31 Hr | 10,000 | | | | | | |
| Real Time Operations Center | DIDC:560 | 30 33/11 | 7.000 | | | | £\$10.000 | | _ |
| FL/GL - Labor | UIDC.300 | | 0 | | | | \$114.560 | | 0 |
| FLIGHT - SUBSTITION | | | | | | | | | |
| Survey | | | | | | | | | |
| • | | | | | | | | | |
| SWD, Other - Labor | | | | | | | | | |
| SWD, OTHER - SUPER-ASION | | | | | | | | | |
| Contingency | DIDC 433 | 500 % of Drilling Intung bles | 135,000 | DICC 220 | | 17,000 | \$18A1220 | | 316,000 |
| Contingency | 1110 0 001 | | | | | | | | |
| P&A Costs | DIDC.295 | | | DICC 2/5 | | 0 | | | |
| Total Intang the Cost | | | 2.843,000 | | | 352 000 | | | 6.636,000 |
| Unite Pipe | DW88 150 | | 0 | | | | | | |
| Conductor Prije | DWEE 130 | | 0 | | | | | | |
| Water String | ENVER 135 | | 0 | | | | | | |
| Surface Cas-na | | 13 3/6" - 100ft at \$35 00/ft | 14.000 | | | | | | |
| Intermed ate Casing 1 | | 9 578 - 3 450ft ut \$35 00.ft | 121,000 | | | | | | |
| Intermed ate Casing 2 | DV/EB.155 | | 0 | | | | | | |
| Onling Lines | 6)V/EB.160 | | 0 | | | | | | |
| Production Casing or Lines | | | | | 5 1/2 - 18 980h 5: \$22 60-h | 418,000 | | | |
| Production Net-Back | | | | DWE # 105 | | | STEAT 101 | | 0 |
| Tubing | | | | | | | | 7/h" - 8,460h at \$7,00 h | 59,000 |
| Wellhead, Tree, Chakes | DWEE 115 | | | DWEA 170 | | | \$10/1.120 | | 25,000 |
| Liner Hanger Lolation Focker | DW/£8.100 | | 0 | DWEA 125 | | e | | | |
| Parker, Ripples | | | | | | | SEPARACO | | 15.000 |
| Pumping Unit Ergine | | | | | | | 51PA1A0> | | 0 |
| Downhole Lift Equipment | | | | | | | STEAT 410 | | 000,03 |
| Surface Equipment | | | | | | | | | |
| Well Automat an Materials | | | | | | | | | |
| Total Tangole - We - Equipment Cost | | | 155.633 | | | 438.000 | | | 179,000 |
| N/C Lease Equipment | | | | | | | | | |
| Tanks, Tanks Steps Stairs | | | | | | | | | |
| Bettery Equipment | | | | | | | | | |
| Secondary Containments | | | | | | | | | |
| Overhead Power Distribution | | | | | | | | | |
| Facility Electrical | | | | | | | | | |
| Telecommunication Equipment | | | | | | | | | |
| Meters and Metaning Equipment | | | | | | | | | |
| Locality Line Pape | | | | | | | | | |
| tease Automation Materials | | | | | | | | | |
| FLIGE - Materials | | | | | | | | | |
| FL/GL - Line Pige | | | | | | | | | |
| SWD/Other - Materials | | | | | | | | | |
| SWD/OTHER - LINE PIPE | | | | | | | | | |
| Total Tangble - Lease Equipment Con- | | | 3.000.000 | | | **** | | | |

800,000

| COIVI 2 | П | | | David Commission | | Total |
|------------------------------------------------|-----------|------------------|----------------------------------------------|------------------------------------------|---------|-------------------|
| | | Production Equip | | Post Completion | 3.00 | TOM |
| Description | | # A | 0.011700 | Read Repair | 10 000 | 215,000 |
| Reads & Encation | CON 10 | 0 | ACCULA REG | ector at exposer | 10 000 | 15 000 |
| Ω muges | Curt III | 5.000 | | | 221 005 | |
| Atrid FI ds Error si | | | 170,532 | Witter Disposal (26) 18APO 18225 for the | 275,000 | 501,000 |
| City Rate | | | | | | 669,000 35,000 |
| Misc Preparation | | | | | | 85.000 |
| B.+. | | | PCOM 125 | | 0 | 92,000 |
| Evil | | | PCGM 138 | | 0 | |
| Water for Onling Pilip Cons Fran Water | | | PCCM4 833 | | U | 29,000 |
| Mud & Additions | | | | | ***** | 250,000 |
| Surface Rentals | CON 140 | 6.500 | | San t Separator and Iran (30 days) | 33,000 | 350,500 |
| Flowback Labor | | | | Fishback hands (30 days) | 60.000 | 60,000 |
| Downtrale Paritals | | | 026158 145 | | 0 | 122,000 |
| Automation Labor | CCN 150 | 19,000 | PCU1.1150 | | 0 | 19,000 |
| Formation Evaluation (DSI, Coring, etc.) | | | | | | 0 |
| Mud Logging | | | | | | 29,000 |
| Open Hole Logg - g | | | | | | 0 |
| Comenting & Fital & pupinions | | | | | | 325,000 |
| Tubular Inspection: | | | PC054160 | | 0 | 42,000 |
| Casing Crews | | | | | | 30,000 |
| Mechanical Laim | CON 170 | 124,500 | PEQUA 170 | | 0 | 144,500 |
| Trucking Transportsture | CGN 175 | 15,000 | | | 0 | 57,000 |
| Supervision | CON 180 | | PCOMIED | | 0 | 225,000 |
| Trafer House/Camp/Catering | | **. | | | | 78,000 |
| Other Mac Esperse | CON 195 | 10,000 | PC (02) 190 | | 0 | 13,000 |
| Corpead | 40 | 66,000 | | | | 15,000 |
| Periedal Cementing | | | PC01/1215 | | 0 | 0 |
| MODUDEMOS | | | | | - | 250,000 |
| O rectional Drilling Services | | | | | | 216,000 |
| | | | | | | 77,900 |
| Solids Control | | | 2001/210 | | 0 | 188.003 |
| Well Control Equip (Anabbarg Service) | | | | | G | 188.003 |
| Filting & Sideback Services | | | PCOR4 245 | | | |
| Completion Rig | | | PCOM 115 | | 0 | 21 000 |
| Coll Tubing Services | | | PCOM 260 | | 0 | 271,000 |
| Completion Enging/Performing/Wireline | | | PCG931 200 | | 0 | 418.000 |
| Composite Phigs | | | PCOM 390 | | 0 | 95,000 |
| Stimulation Pumping/Enemicals/Additions/Sand | | | PCQM 210 | | 0 | 4.064.000 |
| Stimulation Water/Water Transfer/Water Storage | | | | | | 882,000 |
| Cimatex Oxeed fast/Rental Equipment | | | PLOM 305 | | 0 | 42 000 |
| Legal/Regulatory/Curative | CON 300 | 0 | | | | 10,000 |
| Well Control Insurance | | | | | | 7,000 |
| Real Time Operations Center | | | | | | 0 |
| FL/GL - Labor | CON 500 | 73.500 | | | | 73.500 |
| FL.GL - Supervision | CON 505 | 0 | | | | 0 |
| Survey | CON S15 | 0 | | | | 0 |
| SV/D, Other - Labor | CON 600 | 0 | | | | 0 |
| SWD, OTHER - SUPERVISION | CON 605 | 0 | | | | 0 |
| Contingency | CON 230 | 40,500 | | 10% | 38,000 | 546,500 |
| Cantingency | CON 221 | 10,000 | | | | 10.000 |
| P#A Costs | | **.500 | | | | 0 |
| foral mangit e Cop | | 315.000 | | | 416 000 | 10,572,000 |
| Dine Pipe | | 313.901 | | | | 0 |
| Conductor P pr | | | | | | o |
| Water String | | | | | | 0 |
| - | | | | | | 14,000 |
| Surface Cauling | | | | | | 121.000 |
| tetermediate Casaig 1 | | | | | | 0 |
| Intermediate Casing Z | | | | | | 0 |
| Or ling Lines | | | | | | 418.000 |
| Production Casing or Liner | | | | | | 418.000 |
| Production Ne-Back | | | D(() 10 10 10 10 10 10 10 10 10 10 10 10 10 | | 0 | \$9,000 |
| Tubing | | | PCOMF 103 | | | |
| Wellhead Tree Chokes | | | PCONT 120 | | 0 | 65,000 |
| Liner Hanger, Isolation Packer | | | | | _ | 0 |
| Packer 11 pples | | | PCOTAT 400 | | Ģ | 15,000 |
| Pumping Unit Engine | | | PCO55T 405 | | 0 | 0 |
| Downtrale Edit Equipment | | | PCOMT410 | | 0 | 80,000 |
| Surface Equipment | | | PCQMT 420 | | 0 | 0 |
| Well Automation Materials | | | PCONT 453 | | 0 | 0 |
| Total Tungble - West Equamert Cost | | | | | 0 | 772.000 |
| tv-C Lease Equipment | COST 100 | 118,500 | | | | 118.500 |
| Turks, Tanks Stept: Stars | COST 185 | 0 | | | | 0 |
| Battery Equipment | CONF 410 | 46,000 | | | | 46 000 |
| Setonuary Corts of entire | CO1/1 413 | 9 000 | | | | 9,000 |
| Overfread Power D stribution | CONF 425 | 0 | | | | Q |
| Facility Electrical | CONT 425 | 0 | | | | 0 |
| Telecommunication Equipment | CONT 426 | O | | | | 0 |
| Micters and Metering Equipment | CONT 415 | 3,520 | | | | 8,500 |
| Facility Line Pipe | CONT 150 | 14 000 | | | | 14,000 |
| Leave Automation Materials | CONT 455 | 23,000 | | | | 23,000 |
| FL/GL - Materials | CONT 550 | 7,590 | | | | 7,500 |
| FlyGL - Line Pipe | COTIT 553 | 15.000 | | | | 15,000 |
| SWO, Other - Materials | CONT 650 | | | | | 0 |
| SWD OTHER - LIFE PIPE | CONT 653 | | | | | 0 |
| Total Tanga and tea in Eq. () he is Cont | | 2415.X | | | | 241500 |
| Total Estimated Cost | | \$56,500 | | | 416,000 | 11,585,500 |
| rotal Chimated Cost | | 256,300 | | | | |

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

Section

15

Township

198

Range

29Ě

UL or lot no.

L

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

Counts

EDDY

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | ² Pool Code | ³ Pool Name |
|-----------------|---------------------------------------------------------|------------------------|
| 4 Property Code | ⁵ Property Name PARKWAY 15-14 SOUTH STATE | 6 Well Number IH |
| 7 OGRID No. | Operator Name CIMAREX ENERGY CO. | * Elevation 3338.5' |

"Surface Location

North/South line

SOUTH

Feet from the

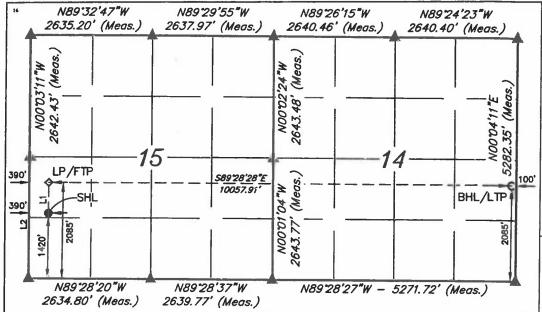
390

| | "Bottom Hole Location If Different From Surface | | | | | | | | | | |
|---------------------------------------|-------------------------------------------------|------------|----------------|-----------------|--------------|---------|--------------------|---------------------------|----------------------|------------------------|----------------|
| Γ | UL or lot no. | Section 14 | n | Tewnship 19S | Range 29E | Lot Idn | Feet from the 2085 | North/South Line SOUTH | Feet from the 100 | East/West line EAST | County EDDY |
| 12 Dedicated Acres 13 Joint or Infill | | 14 Conse | olidation Code | 15 Order No. | | | | | | | |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

Feet from the

1420



Lot Idn

LINE TABLE LINE DIRECTION LENGTH N00'01'28"E 665.09 12 N00°01'28"E 2640.39

- NOTE:

 Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00'
- SURFACE HOLE LOCATION
- LANDING POINT/FIRST TAKE POINT
- BOTTOM HOLE LOCATION/ LAST TAKE POINT
- = SECTION CORNER LOCATED

NAD 83 (BHL/LTP) LATITUDE = 32°39'32.59" (32.659052°) NAD 83 (SURFACE HOLE LOCATION) LATITUDE = 32°39'26.76" (32.657434°) LONGITUDE = 104°04'11.73" (104.069925°) LONGITUDE = 104°02'14.12" (104.037254° NAD 27 (BHL/LTP)

LATITUDE = 32°39′32.16" (32.658934°) NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32°39'26.34" (32.657316°) LONGITUDE = 104°04'09.91" (104.069419°) LONGITUDE = 104°02'12.29" (104.036748°) STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) N: 603006.00' E: 622403.02 N: 603621.33' E: 632456.09 STATE PLANE NAD 27 (N.M. EAST) STATE PLANE NAD 27 (N.M. EAST N: 603558.96' E: 591276.34' N: 602943.71' E: 581223.26

SCALE REV: 1 12-18-18 C.M.T. (WELL NAME CHANGE)

"OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Date

Printed Name

East/West line

WEST

E-mail Address

"SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Date of Survey Signature and Seal of Professional Surveyor:



Certificate Number

Case Nos. 20395, 20396, 20397, 20398





December 10, 2018

Hunt Oil Company 1900 N. Akard Street Dallas, Texas 75201

Re:

Proposal to Drill

Parkway 15-14 South State Com 1H

Sections 15 & 14, Township 19 South, Range 29 East

Eddy County, New Mexico

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 South State Com 1H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1420' FSL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 2085' FSL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 South State Com 1H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

Riley C. Morris, RPL rmorris@cimarex.com

432,620,1966

Case Nos. 20395, 20396, 20397, 20398

Exhibit C.15-14 South 1H

ELECTION TO PARTICIPATE Parkway 15-14 South State Com 1H

| | Hunt Oil Company elects TO participate in the proposed Parkway 15-14 South State Com 1H well. |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Hunt Oil Company elects NOT to participate in the proposed Parkway 15-14 South State Com 1H well. |
| Dated this day of | , 2018. |
| Signature: | |
| Title: | |
| | |
| If your election above is | TO participate in the proposed Parkway 15-14 South State Com 1H well, then: |
| | Hunt Oil Company elects TO be covered by well control insurance procured by Cimarex Energy Co. |
| | Hunt Oil Company elects NOT to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co. |



Authorization For Expenditure Drilling

AFE # 26619025

Date Prepared 12/10/2018

exploration Rep 1 in

Welliflame

Property Lumber

Permian Basin

Company Eirty

PARKWAY 15-14 SOUTH STATE COM New Mexico Bone Spring Pros

(Eddy)

309775-296.01

ME 26619025

Court, State

1H Local Cal

Estimated Spuri

Estimated Completion

Eddy, NM

N/2 S/2 of Section 15 and 14, T19S, R29E, Eddy County, New Mexico

9/25/2019

9/29/2019

X New

Tematica

New Lype

T.I.M. asured Depth

Pri Net call Deprin

Supplement Revision

Bone Spring 3 /Sd/

DEV

19.200

8,840

Ригрозе

Drill and complete well

Description

Fig. 1 Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12*/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

| Intangible Drilling Costs | Dry -10le \$2,660,000 | After Casing Point | Cumpleted Well Cost \$2,660,000 |
|---------------------------|--------------------------|--------------------|------------------------------------|
| Completion Costs | \$2,000,000 | \$7,853,500 | \$7,853,500 |
| Total Intangible Cost | \$2,660,000 | \$7,853,500 | \$10,513,500 |
| Tangible | D. rok | After Case g Poer | Cling lated Well Cost |
| Well Equipment | \$155,000 | \$619,000 | \$774,000 |
| Lease Equipment | | \$1,317,000 | \$1,317,000 |
| Total Tangible Cost | \$155,000 | \$1,936,000 | \$2,091,000 |
| Total Well Cost | \$2,815,000 | \$9,789,500 | \$12,604,500 |

Comments On Well Costs

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

Lelect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contract: with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering

Nonoperator Approval

Сс пратку

Approved By (Pr. 1 Kam):

Appropriately (Signature)

[]at-

NOTICE TO NONOPERATOR Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charaed in accordance with the Joint Operating Agreement

12/10/2018

^{1.} All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.



| COIN | BCP - | - Drilling | ACP - | Drilling | Corr | np/Stim | Produc | tion Equip | Post Co | mpletion | Total |
|----------------------------------------------------------------------------------------|----------------------|------------|-----------|----------|------------|-----------|----------------------|------------|--------------|----------|--------------------|
| Description | DIE L | | * | | | | 444 | 201 | 2011 | 40 4 7 5 | 204 500 |
| Posts & Leaves | DIDC 100 | 125,000 | | | \$100 100 | 5,000 | | | PCO\! 100 | 10,000 | 201,500 |
| Damages Mud/Fluids Disposal | DIDC 105 DIDC 255 | 10,000 | | | SHM 255 | 44.000 | CON 105 | 16,000 | PCOVI 255 | 375 000 | 26,000 |
| Day Rate | DIDC 113 | 180,000 | DICC 120 | *** | 21161 5.12 | 46,000 | | | PCOVIZES | 275,000 | 501,000 669,000 |
| M-sc Preparation | DIDC 120 | 35,000 | DICC 150 | 100,000 | | | | | | | 35,000 |
| E ts | DIDC 125 | 85,000 | DICC 125 | 6 | STIM 125 | 0 | | | PCOM 125 | 0 | 85,000 |
| Fuel | DIDC 135 | 92,000 | DKC 130 | 0 | | | | | PCOM 130 | 0 | 92,000 |
| Water for DNI on Rig (Not Feat Weise) | DIDC 140 | 5.000 | DKC 135 | 0 | \$1656 135 | 24,000 | | | PCOV 135 | 0 | 29,000 |
| Mud St Addrives | DIDC 145 | 250,000 | | | | 6-, | | | | | 250,000 |
| Surface Rentals | DIDC 150 | 95,000 | DEC 140 | 0 | \$100.145 | 174,000 | CON 140 | 6,500 | PCOV 143 | 33,000 | 308,500 |
| Flowback Labor | | , | | | ST(A) 143 | 0 | | ., | PCOM 141 | 60,000 | 60,000 |
| Downhole Rentals | DIDC 153 | 122,000 | | | \$1053.115 | 0 | | | PC DV 145 | 0 | 122,000 |
| Automatron Labar | | | | | | | CON 150 | 95,000 | PCOM 150 | 0 | 95,000 |
| Formation Evaluation (DST Coving etc.) | DIDC 160 | 0 | | | \$100,150 | 0 | | | | | 0 |
| Mud Logging | DIDC 170 | 29,000 | | | | | | | | | 29,000 |
| Open Hole Logging | DIDC 180 | 0 | | | | | | | | | 0 |
| Cementing & Float Equipment | DIDC 185 | 150,000 | DICC 155 | 175,000 | | | | | | | 325,000 |
| Tuhular lespections | DIDC 190 | 35,000 | DICC 160 | 5,000 | 21151160 | 2 000 | | | PC OAT 160 | 0 | 42.000 |
| Casing Crews | DIDC 195 | 10,000 | DICC 165 | 20,000 | STAM 165 | 0 | | | | | 30,000 |
| Methanical Labor | DIDL 236 | 15,000 | DICC 170 | 5.000 | 5188 170 | 0 | CON 170 | 230 500 | PCOM: 170 | 0 | 250,500 |
| Trucking Transportstion | DIDC 203 | 20,000 | DICC 175 | 15,000 | 5100 175 | 7,000 | CO11.175 | 42 000 | PCOM 175 | 0 | 84,000 |
| Supervision | DIDC 210 | 111,000 | Off C 190 | 16,000 | \$109.880 | 69,000 | CON 180 | 48 500 | PCOM 180 | 0 | 244,500 |
| Trailer House: Camp/Catering | DIDC 250 | 32,000 | DICC 255 | 4 000 | | 34,000 | | | | | 70,000 |
| Other Miss Expenses | DIDC 220 | 3,000 | DICC 190 | 0 | STRU 190 | 90.000 | COU 190 | 20.000 | PCOM 190 | 0 | 115,000 |
| Overhead | DIDC 225 | 10,000 | DKC.195 | 5,000 | | | | | | | 15,000 |
| Remedial Cementing | DIDC 231 | 0 | | | ST## 215 | 0 | | | PCOM: 215 | 0 | 0 |
| MOB/DEL/OB | DIDC 210 | 150,000 | | | | | | | | | 150,000 |
| Directional Drilling Services | DIDC 215 | 216.000 | | | | | | | | | 216,000 |
| Solds Control | DEDC 260 | 77,000 | | | | | | | | | 77,000 |
| Well Control Equip (Smubtling Sentred | DIDC 265 | 90.000 | DICC 240 | 0 | 21985310 | 100,000 | | | PCOM 240 | 0 | 190.000 |
| Fishing & Sidetrack Scruces | DIDC 176 | 0 | DICC 245 | 0 | STM/ 245 | 0 | | | PCOM 245 | 0 | 0 |
| Completion Rig | | | | | 5104115 | 21,000 | | | PC OM 113 | C | 21.000 |
| Coll Tubing Senites | | | | | 51IM 260 | 271.000 | | | PC OM 260 | 0 | 271,000 |
| Completion Logging/Perforating/Wireline | | | | | S11M 200 | 359,030 | | | PCOMISIO | 0 | 359,000 |
| Composite Plugi | | | | | STIM 390 | 95,000 | | | PC ON 190 | 0 | 95,000 |
| Stimulation Purroing/Chemical/Additives/Sand | | | | | STIM 210 | 3,770,000 | | | PCOM 216 | 0 | 3.770,000 |
| Stimulation Water/Water Transfor/Water Storage Cimares Osmed Frict/Rental Equipment | | | | | STIA: 395 | 882,000 | | | D1 439 5 344 | _ | 882,000 |
| Legal/Regulatory/Curative | DIDC 300 | 10.000 | | | \$110,1305 | 42,000 | crease date | | PCOM 305 | 0 | 42.000 |
| Well Control by state | DIDC 285 | 7,000 | | | | | CON 300 | 0 | | | 10,000 |
| Real Time Operations Center | DIDC 560 | 7,000 | | | \$100,560 | | | | | | 7,000 |
| FL/GL - Labor | B104 300 | U | | | 34349 30. | 0 | CON.500 | 23.500 | | | 0 |
| FL/GL - Superior on | | | | | | | CON 505 | 73,500 | | | 73,500 |
| Sunda | | | | | | | CON 515 | 0 | | | 0 |
| SWD, Other + Labor | | | | | | | CO24 600 | 0 | | | 0 |
| SWO, OTHER - SUPERVISION | | | | | | | CON 605 | 0 | | | 0 |
| Contingency | DIDC 135 | 127,000 | DICC 220 | 17,000 | S884 220 | 300,000 | CON: 220 | | PCCM 220 | 38,000 | 662,000 |
| Contingency | | 161,130 | | 71,000 | 2000 2 20 | 300,000 | CON 221 | 11,000 | 1000 | 36,000 | 11,000 |
| P&A Costs | DIOC 295 | 0 | DICC 275 | 0 | | | | 11,000 | | | 0 |
| Total Intangible Cost | | 2 660,000 | | 362,023 | | 6,291,000 | | 784,500 | | 416 000 | 10,513,500 |
| Drive Pipe | DWEB 150 | 0 | | 0.0,000 | | 0,631,000 | | 101,500 | | 110 000 | 0 |
| Conductor Pipe | DWE8 130 | 0 | | | | | | | | | 0 |
| Water String | DWEB 135 | 0 | | | | | | | | | 0 |
| Surface Casing | DAEB 145 | 14,000 | | | | | | | | | 14,000 |
| Intermediate Caving 1 | DIVER 145 | 121.000 | | | | | | | | | 121,000 |
| Intermediate Casing 2 | DAEB 155 | 0 | | | | | | | | | 0 |
| Dr ling Liner | DAYEB 163 | C | | | | | | | | | 0 |
| Production Carling or Line: | | | DIVEA 100 | 420,000 | | | | | | | 420,000 |
| Production See Bitte | | | DISTA 165 | 0 | 101 11/1/2 | C | | | | | 0 |
| Tubing | | | | | STRUT. TOS | 59,000 | | | PLOVE 105 | 0 | 59,000 |
| Wellhead, Tree Chaires | DWEB 115 | 20 000 | DWEA 120 | 20,000 | STRUCT 120 | 25,000 | | | PCOME 120 | 0 | 65,000 |
| Liner Hanger, Isalation Packer | DWEB 100 | 0 | DVVEA 125 | 0 | | | | | | | 0 |
| Packer, Mipples | | | | | STRUCT 900 | 15,000 | | | PCOMI 400 | 0 | 15,000 |
| Pumping Unit Engine | | | | | STRUT-405 | 0 | | | PCOMT RIS | 0 | 0 |
| Downhole Lift Equipment | | | | | \$1841.410 | 80 000 | | | PCOVII 110 | 0 | 90,000 |
| Surface Equipment | | | | | | | | | PCOVIT 420 | 0 | 0 |
| Well Automation Material | | | | | | | | | PCOME \$55 | 0 | 0 |
| Total Tengtue - Wet Equipment Cost | | 155.000 | | ₹40,000 | | 179,000 | | | | C | 774.000 |
| Ni Clease Equipment | | | | | | | CONT 400 | 245,000 | | | 245.000 |
| Tanks, Tanks, Steps Stairs | | | | | | | CONT 405 | 176,500 | | | 176,500 |
| Battery Er; comment | | | | | | | COST 110 | 357,000 | | | 357,000 |
| Secondary Contain nents Chamberd Rouge Details and | | | | | | | CONT.415 | 79,000 | | | 79,000 |
| Overhead Power Detribution Facility Electrical | | | | | | | CONT.420 | 91,000 | | | 91,000 |
| · · | | | | | | | CONTA25 | 134.500 | | | 134,500 |
| Telecommunication Equipment Meters and Métering Lair princis | | | | | | | CONT 426 | 0 | | | 0 |
| Facility Line Pupe | | | | | | | CONT 445 CONT 450 | 26 500 | | | 26,500 |
| Lease Automation Atazonals | | | | | | | CONT 455 | 70,000 | | | 70,000 |
| FLIGIT - Materials | | | | | | | CO%T 550 | 115,000 | | | 115,000 |
| FLGC - Un - P.pe | | | | | | | CONT 555 | 7,500 | | | 7,500 |
| SWD Object Materials | | | | | | | CONFISC | 15.000 | | | 15 000 |
| SWD OTHER LUIS PIPE | | | | | | | CONTESS | 0 | | | 0 |
| Total Banguar - Beate Equipment Cost | | | | | | | | 1,317,000 | | | 1317.000 |
| Total Estimated Cost | | 2,815,000 | | 802,000 | - | 6,470,000 | | 2,101,500 | | 416,000 | 12,604,500 |
| | | | | | | | | | | , | ,, |



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 1H

AFE # 26619025

| C | OIVI II I | DCD Dellan | | | ACO Dellar | | | Comm Piles | |
|--------------------------------------------------------|------------------------|--------------------------------|-----------|------------|-----------------------------------------|---------|------------|-------------------------------|-----------|
| Description | 60 2 | BCP - Drilling | | | ACP - Drilling | | 13.4 | Comp/Stm | 2333 |
| Description Roads & Location | DIDC.10 | n | 125,00 | | | 10 00 | SIM 10 | 0 | 5,000 |
| Daniages | DIDC 10 | | 10,000 | | | | | • | 3.000 |
| Mud#laids Dispusal | DIDC.25 | - | 180,000 | | | | \$104.25 | \$ | 46,000 |
| Day Rate | DIDC 11 | | 569,000 | | 4 days at \$25 000/day | 100,000 | | | 40,000 |
| Misc Preparation | DIDC 12 | | 35,000 | | | | | | |
| E-ts | DIDC 12 | \$ | 85,000 | | | 0 | \$1154.12 | S | 0 |
| fuel | DIDC 13 | \$ 1,150 gal/day at \$3,00/gal | 92,000 | | | 0 | | | _ |
| Water for Dr. Bing Rig (Not Frac Water) | DIDC 14 | 9 | 5,000 | | | 0 | SIEM 135 | 3 | 24,000 |
| Mud & Addition | DIDC.14 | 5 | 250,000 | | | | | | |
| Surface Remals | DIDC.150 | Per Day (BCP)/Jay | 95.000 | DICC:140 | | 0 | \$1FM 140 |) | 174,000 |
| Flowback tabor | | | | | | | S1IM 141 | } | 0 |
| Downhale Rentals | \$40C 155 | • | 122,000 |) | | | SHV 145 | | 0 |
| Automotion Labor | | | | | | | | | |
| Formation Evaluation (DST, Coring, etc.) | D10C 160 |) | 0 | 1 | | | \$104.150 | 1 | O. |
| Mud Loggina | DIDC 170 | 20 days at \$1 200/d-y | 29,000 |) | | | | | |
| Open Hale Lagging | DRIVC 182 | | 0 |) | | | | | |
| Cementing & Float Equipment | DILC 185 |) | 150,000 | DICC.155 | | 175,000 | | | |
| Tubular Inspections | DILC 193 |) | 35,000 | DICC.160 | | 5.000 | S184 160 | ı | 2,000 |
| Casing Crews | DILJC 195 | ı | 10,000 | DICC.165 | | 20,000 | \$10M,16\$ | | 0 |
| Mechanical Labor | DHDC 200 |) | 15,000 | DICC.170 | | 5,000 | SHM:170 | | 0 |
| Trucking/Transpartation | DIDC 205 | , | 20,000 | DICC.175 | | 15,000 | \$11/4.175 | | 7,000 |
| Superos an | DRUC 210 | 1 | 111,000 | DICC 160 | | 16.000 | \$10.0 180 | | 69,000 |
| Trailer House/Camp/Catching | DIEC 283 | | 32,000 | DICC.255 | | 4.000 | \$184.580 | | 34,000 |
| Other Misc Expenses | DIDC 320 | | 3.000 | DICC.190 | | 0 | \$110/190 | | 90 000 |
| Overhead | DIDC 225 | | 10,000 | D:CC 195 | | 5,000 | | | |
| Renied of Cementing | DIDC 231 | | 0 | | | | S1P.4 215 | | 0 |
| MC8/UEMO8 | DIDC 240 | | 150,000 | | | | | | |
| Directional Drifting Services | DIDC 245 | | 216,000 | | | | | | |
| Salids Control | DIDC 260 | | 77.000 | | | | | | |
| Well Control Equip (Snirbbing Services) | DIDC 265 | | 90,000 | DICC 240 | | 0 | \$184.240 | | 100,000 |
| Fishing & Sidetrack Services | DIDC 310 | | 0 | DICC245 | | 0 | \$184,245 | | 0 |
| Completion Rig | | | | | | | \$104,115 | | 21,000 |
| Coil Tubing Services | | | | | | | \$100,260 | | 271,000 |
| Completion Loyaling/Perforating/Aurelin- | | | | | | | \$184,200 | | 359,000 |
| Compas te Plugs | | | | | | | \$1(9/.390 | | 95.000 |
| St-mulation | | | | | | | \$104.210 | | 3.770,000 |
| St-mulation Water/Water Transfor/Water | | | | | | | \$TIM.295 | | 882.000 |
| Ciniarex Owned Frac/Rental Equipment | | | | | | | STIM 305 | | 42.000 |
| Legal/Regulatory/Curative | DIEC 300 | | 10,000 | | | | | | |
| Well Control Imprance | DIDC 285 | 50 35 th | 7,000 | | | | | | |
| Real Time Operations Center | CHOC 560 | | 0 | | | | \$1144,560 | | 0 |
| FL/GL - Lalyor | | | | | | | | | |
| FL/GL - Supervision | | | | | | | | | |
| Survey | | | | | | | | | |
| SWD/Other - Labor | | | | | | | | | |
| SWD, OTHER - SUPERVISION | | | | | | | | | |
| Contengency | DIDC 435 | 500 A of Drilling Intangibles | 127,000 | DICC 550 | | 17,000 | \$11M 220 | | 300,000 |
| Contrigency | | | | | | | | | |
| P&A Costs | UIDC.295 | | 0 | DICC275 | | 0 | | | |
| Total Intang tife Con | | | 2,660,000 | | | 362,000 | | | 6,291,000 |
| Ome Pipe | DW18 150 | | 0 | | | | | | |
| Conductor Pipe | DW88 150 | | 0 | | | | | | |
| Water String | DWEE 133 | | 0 | | | | | | |
| Surface Casing | | 13 3/6" - 405h at \$35 00/h | 14,000 | | | | | | |
| Intermediate Casing 1 | | 9 5/8 - 3,460% at \$35,00/% | 121,600 | | | | | | |
| Intermediate Casing 2 | CW/E8 155 LW/E8 160 | | 0 | | | | | | |
| Onling Uner | PAYE 100 | | 0 | energy and | 1 1 4 1 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 420 000 | | | |
| Production Casting or Lines Production He-Brick | | | | | 5 1/2 - 19,10/h at \$22,00/h | 420,000 | Cinet cor | | |
| Tubina | | | | DVV&A.165 | | 0 | 51041301 | | 0 |
| Welthead, Tree, Challes | Autorian was | | 36.000 | Duk e saa | | 20.000 | | 2 7/8" - 8,460ft ot \$7,00.ft | 59,000 |
| Liner Hanger Isolation Packer | DWER 115 DWER 100 | | | DW\$4.120 | | | STEWN 120 | | 25,000 |
| Packer Nugeles | DWIG IC) | | 0 | DWEA 125 | | e | finat | | |
| | | | | | | | STRATAGE | | 15,000 |
| Pumping Unit Engine Description of the Life Community | | | | | | | \$1041,405 | | 0 |
| Downhale Lift Equipment Surface Equipment | | | | | | | SEPAT 410 | | CC0.03 |
| Well Automation Materials | | | | | | | | | |
| Total Tangole - Wr I Equipment Cost | | | IEE AAA | | | 440.000 | | | -the |
| N/C Lease Equipment | | | 155.000 | | | 440.000 | | | 179,000 |
| Tanks Tanks Stops Stairs | | | | | | | | | |
| Battery Equipment | | | | | | | | | |
| Secondary Containments | | | | | | | | | |
| Orerhead Fower Distribution | | | | | | | | | |
| Facility Electrical | | | | | | | | | |
| Felecommunication Equipment | | | | | | | | | |
| Meters and Metering Equipment | | | | | | | | | |
| Facility Line Pipe | | | | | | | | | |
| Lease Automation Materials | | | | | | | | | |
| FL/GL - Materials | | | | | | | | | |
| FL/GL - Line Pre | | | | | | | | | |
| SWD/Other - Materials | | | | | | | | | |
| SW/D/OTHER - LINE PIPE | | | | | | | | | |
| Total Tangible - Lause Equipment Cost | | | | | | | | | |
| | | | | | | | | | |



| COM 1 | | | | Red Completion | | Total |
|----------------------------------------------------------|-----------|-------------------|----------------------|---------------------------------------------|---------|-------------------|
| Decaderies | Pro | oduction Equip | | Post Completion | | 1001 |
| Peach & Location | CGN 103 | | PLOM ITO | Roa (Repair | 10,000 | 201,500 |
| Damages | CON 105 | 16.500 | | | | 26,000 |
| Mud/Floids Disposal | | | PCOM 255 | Water Disposal (2000 BWPD 1 - \$2.25 for 60 | 275,030 | 501.000 |
| Oa ₃ Rate | | | | | | 669,000 |
| Misc Preparat con | | | | | | 35,000 |
| Bits | | | PCOM 125 PCOM 138 | | 0 | 85,000 92,000 |
| Fuel | | | PCOM 135 | | 0 | 29,000 |
| Water for Drilling Rig Blick Fran Water Mild & Additives | | | PCO: 131 | | | 250,000 |
| Surface Rentals | CON 139 | 6.500 | PCOM 140 | Sand Separatur and Iron (10 days) | 33.000 | 308,500 |
| Flowback Labor | | 5.500 | | Flavoback hands (30 days) | 60.000 | 60,000 |
| Downhole Rentah | | | PC Q12 145 | | 0 | 122.000 |
| Automation Labor | CON 150 | 95 000 | PCOM 150 | | e | 95,000 |
| Formation Evaluation (051, Coring, etc.) | | | | | | 0 |
| Mud Logging | | | | | | 29,000 |
| Open Hille Logging | | | | | | 325,000 |
| Cementing & Float Equipment Tubular Inspections | | | PCOM NO | | 0 | 42 000 |
| Casing Cross | | | 760.112 | | | 30.000 |
| Medianical Labor | CO1: 170 | 230.500 | PC Q13 170 | | 0 | 250,500 |
| Trucking/Transportation | CON 175 | 42 000 | | | 0 | 84,000 |
| Supervision | COM 150 | 48 500 | | | 0 | 244,500 |
| Trailer House Camp Catering | | | | | | 70,000 |
| Other Mistr Expenses | CQN 15) | 20007 | PCOV 190 | | ¢ | 113,000 |
| Overhead | | | | | | 15,000 |
| Remedial Comenting | | | PCOM215 | | 0 | 0 |
| MOB/DEMOB | | | | | | 150,000 |
| Directional Drilling Services Solids Control | | | | | | 216,000 77,000 |
| Web Control Eq. p (Snubb by Services | | | PLOM 240 | | 0 | 190,000 |
| Fishing & Sidetrack Services | | | PCO1/245 | | C | 0 |
| Completion Rig | | | PCOM 115 | | 0 | 21.000 |
| Coil Tubing Services | | | PCOM-260 | | 0 | 271,000 |
| Complet on Logging/Perforating/Wirebne | | | PCOM 200 | | 0 | 359.000 |
| Composite Plugs | | | PCOM 350 | | 0 | 95 000 |
| Stimulation Pumping/Chemicals/Additives/Sand | | | PC09#210 | | 0 | 3,770,000 |
| Stimulation Water/Water Transfer/Water Storage | | | | | | 882,000 |
| Cimarea Owned Franchental Equipment | CON 360 | | PCOSE305 | | 0 | 42 000 10,000 |
| Legal/Regulatory/Curative Well Control hisurance | CON 300 | 0 | | | | 7,000 |
| Peal Time Operations Center | | | | | | 7,003 D |
| FL/GL - Labor | CON 500 | 73,509 | | | | 73,500 |
| FL/GL - Supervision | CON 505 | 0 | | | | Ō |
| Survey | CON \$15 | 0 | | | | 0 |
| SWD/Other - Labor | CON 600 | 0 | | | | 0 |
| SWD/OTHER - SUPERVISION | CON 605 | 0 | | | | 0 |
| Contingency Contingency | COR 550 | 183,000 11,000 | PCOM220 | 1Cn | 58,000 | 662 000 |
| PStA Costs | CONTRACT | 11.000 | | | | 0 |
| Total Intangible Cost | | 784,500 | | | 416.000 | 10.513,500 |
| Dine Pipe | | | | | | 0 |
| Conductor Pipe | | | | | | 0 |
| Water String | | | | | | 0 |
| Surface Cauling | | | | | | 14,000 |
| Intermediate Caring 1 Intermediate Caring 2 | | | | | | 121,030 |
| Drilling Lines | | | | | | 0 |
| Product on Casing or Liner | | | | | | 420,000 |
| Production for Jin & | | | | | | 0 |
| Tubing | | | FCONT 105 | | 0 | 59,000 |
| Web earl free Choices | | | PCOMIT 120 | | 0 | 65,000 |
| Lines Hanger, Isolation Packer | | | | | | 0 |
| Packer, Nipples | | | PCONTI 400 | | e | 15,000 |
| Pumping that Engine | | | PCUNIT 40\$ | | 0 | 0 |
| Downhole Lift Equipment | | | PC0/47410 | | 0 | 200.08 |
| Surface Equipment Well Automation Materials | | | PCONT 455 | | 0 | 0 |
| Total Tangible - Well Equipment Cost | | | 7.001433 | | G | 774 000 |
| N/C Lease Equipment | CO181 400 | 245,000 | | | 9 | 245,000 |
| Tanks Tailis Steps Stars | COST 100 | 176 500 | | | | 176,500 |
| Battery Equipment | COST 410 | 357,000 | | | | 357,000 |
| Sezondary Contoinments | C0111 415 | 79.000 | | | | 79.000 |
| Overhead Power Distribution | CONT 420 | 91.000 | | | | 91,000 |
| Eacility Electrical | COM1 425 | 134,500 | | | | 134,500 |
| Felecommunication Equipment | CONTAR | 0 | | | | 0 |
| Meters and Metering Equipment Facility Line Ripe | COVIT 415 | 26,500 | | | | 26,500 70,000 |
| kease Automation Materials | CONF 455 | 70,000 115,000 | | | | 115.000 |
| FL/St - Materials | COSTSS | 7,500 | | | | 7,500 |
| FL/GL - Line Prpr | CUNT 555 | 15,000 | | | | 15,000 |
| SWD/Other - Materials | CO11F 650 | 0 | | | | 0 |
| 399 359, STATE COWE | COMESS | 0 | | | | 0 |
| Total Tangala - Lease Eq. piners Cost | | 1,317,000 | | | *** | 1,317,000 |
| Total Estimated Cost | | 2,101,500 | | | 415,800 | 12,604,500 |



Authorization For Expenditure Drilling

AFE # 26619025

Date Prepared 12/10/2018

Exploration Region

Well Name

P10 2001

Properly fumber

411

Permian Basin

PARKWAY 15-14 SOUTH STATE COM New Mexico Bone Spring Pros

309775-296.01

26619025

Cabr, State

10/18/01

tet mateur Squid

Less ated Completion

Eddy, NM

N/2 S/2 of Section 15 and 14, T19S, R29E, Eddy County, New Mexico

9/25/2019

9/29/2019

X New

Ecrmation

Nell live.

Total a size of Deed

Till vetical Dooth

Supplement Revision

Bone Spring 3 /Sd/

DEV

19.200

8.840

Furgoss.

Drill and complete well

Description

Unif (g) Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12*/100' initial build rate to +/- 90 degrees and8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

(Eddy)

| Intangible | Dry Hole | After Casing Point | Completed Well Cost |
|-----------------------|-------------|--------------------|---------------------|
| Drilling Costs | \$2,660,000 | | \$2,660,000 |
| Completion Costs | | \$7,853,500 | \$7,853,500 |
| Total Intangible Cost | \$2,660,000 | \$7,853,500 | \$10,513,500 |
| Tangible | ₽r. Hole | After Casing Point | Completed Well Cost |
| Well Equipment | \$155,000 | \$619,000 | \$774,000 |
| Lease Equipment | | \$1,317,000 | \$1,317,000 |
| Total Tangible Cost | \$155,000 | \$1,936,000 | \$2,091,000 |
| Total Well Cost | \$2,815,000 | \$9,789,500 | \$12,604,500 |

Comments On Well Costs

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

t elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well

Nonoperator Approval

Company

Approved By (Print Ikame)

Approved By (Signature)

^{1.} All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.



| COM | | Drilling | ACP - | Drilling | Com | p/Stim | Produc | tion Equip | Post Co | mpletion | Total |
|------------------------------------------------------------------|------------------------|-----------|-----------|------------------|----------------------|---------------------|-----------------|------------|------------|----------|--------------------|
| Description | | 1 | 1 | 1 | 200 | 241.395 | | No. | 1199 | 544 | 200 |
| Roads & Encar on | DIDC 100 | 125,000 | | | \$11M 100 | 5,000 | CON 100 | 61,500 | PCONT 100 | 10,000 | 201,500 |
| Damages | DIDC 105 | 10,000 | | | 4300000 | | CON 105 | 16,000 | NO.1316 | 200 444 | 26,000 |
| Mid/Fliride Disposal Day Rate | DIDC 255 DIDC 115 | 180,000 | DICC 126 | 100.003 | 51 DA 255 | 46,000 | | | PCON1255 | 275,000 | 501,000 669,000 |
| Max Preparates | DIDC 120 | 35,000 | piec ico | 100,000 | | | | | | | 35,000 |
| 645 | DIDC 125 | 85 000 | DICC 125 | 0 | \$1856.125 | 0 | | | PCOV 125 | 0 | 85.000 |
| Futl | DIDC 135 | 92.000 | DIEC 130 | 0 | | | | | PCOV 130 | 0 | 92,000 |
| Water for Dolling Riig (Hot Frac Water | DIDC 140 | 5,000 | DICC 135 | 0 | \$100 135 | 24 000 | | | PCOV 135 | G. | 29,000 |
| Mad & Addition | DIDC 145 | 250,033 | | | | | | | | | 250,000 |
| Surface Rentals | DIDC 150 | 95,000 | DICC 148 | 0 | \$THM 140 | 174,000 | CON 143 | 6,500 | PCOM 140 | 33,000 | 308 500 |
| Flowback Liber | | | | | STIRE 141 | 0 | | | PCOV: 141 | 60,000 | 60,000 |
| Downhole Rentals | DIDK 155 | 122,000 | | | \$10A 145 | 0 | | | PCOM 145 | 0 | 122.000 |
| Automation Labor | | | | | | | CCH4 150 | 95,000 | PCOW 150 | 0 | 95,000 |
| Formation Evaluation (DST Coring etc.) | DIDL 160 | 0 | | | \$11M 150 | 0 | | | | | 0 |
| Mud Logung | DIDC 170 | 29,000 | | | | | | | | | 29.000 |
| Open Hole Logging | DIDK, 180 BIDK, 183 | 150 000 | OF. 156 | 175 000 | | | | | | | 0 |
| Comming & Host Equipment Tubular Expert mil | DIDC 195 | 35,000 | DICC 160 | 175.000 5,000 | 21194 165 | 2 000 | | | 950V 160 | 0 | 325,000 42,000 |
| Casing Crews | DIDC 193 | 10,000 | DICC 165 | 20,000 | | 2003 | | | 7604 100 | | 30,000 |
| Mechanical Labor | DIDC 200 | 15,000 | DICC 176 | 5,000 | | 0 | CO24 170 | 240 503 | PCQV 170 | 0 | 250,500 |
| Trudong/Trainportation | DID4, 205 | 20,000 | DICC 175 | 15,000 | | 7,000 | CON 175 | 42 000 | | o | 84,000 |
| Sugarvision | 0100/216 | 111,000 | DICC 180 | 16,000 | | 69,000 | CON 180 | 46,500 | | 0 | 244,500 |
| Trailer House/Camp/Catering | DIDC 280 | 32,000 | DICC 255 | 4,000 | | 34,000 | | | | | 70,000 |
| Other Misc Expension | DIDC 220 | 3,000 | DICC 190 | 0 | STIPA 190 | 90,000 | CON1 1909 | 20,000 | PC 0Nf 190 | 0 | 113,000 |
| Overhead | DIDC 225 | 10,000 | DICC 195 | 5,000 | | | | | | | 15,000 |
| Remedal Cementing | DIDC 231 | 0 | | | STIMP 215 | 0 | | | PC DW 215 | 0 | 0 |
| MOB/DEL/CB | DEDCSE | 150,000 | | | | | | | | | 150,000 |
| Directional Drilling Services | DDC 215 | 216,000 | | | | | | | | | 216,000 |
| Sal de Cuntral | DIDC SED | 77,000 | | | | | | | | | 77,000 |
| Well Control Egup (Snighting Services) | DIDC 263 | 90.000 | DICC 310 | 0 | 511A1 249 | 100,000 | | | PCCR4 240 | 0 | 190,000 |
| Fishing & Sidetrack Services | BIDC 270 | 0 | DICC 215 | 0 | | 0 | | | PCOM 245 | 0 | 0 |
| Completion Pag | | | | | STIMI ITS | 21,000 | | | PCOM 260 | 0 | 21,000 |
| Cod Tubing Services | | | | | S1M/ 260 S1M/ 200 | 271,000 | | | PCOM 200 | 0 | 271,000 |
| Completion Logging/Perforating/Vireline Composite Plugs | | | | | \$1M1200 | 359,000 | | | PCOM 390 | 0 | 359,000 95,000 |
| Stimulation Purrping/Chemicals/Additives/Sand | | | | | STIM 210 | 95,000 3,770,000 | | | PCOM 210 | 0 | 3,770,000 |
| Stimulation Water/Water Transfer/Water Storage | | | | | STUA 195 | 882,000 | | | | | 882,000 |
| Cimires Danied Frac/Rental Equipment | | | | | STIM 305 | 42 000 | | | PCOM/ 30S | 0 | 42,000 |
| Legal/Regulatory, Curative | DIDC 300 | 10,000 | | | | 46.600 | COR 360 | 0 | | • | 10.000 |
| Well Control Insurance | DIDC 283 | 7,000 | | | | | | | | | 7,000 |
| Real Time Operations Center | DIDC 560 | 0 | | | \$100 \$67 | 0 | | | | | 0 |
| FL/GL - Labor | | | | | | | CONSMI | 73 500 | | | 73,500 |
| FL/GL - Supervision | | | | | | | COR 505 | 0 | | | 0 |
| Survey | | | | | | | CONSIS | 0 | | | 0 |
| SWD/Other - Labor | | | | | | | COHFU | 0 | | | 0 |
| SWO, OTHER - SUPERVISION | | | | | | | CORRES | 0 | | | 0 |
| Contingency | DIDK 435 | 127.000 | DICC 220 | 17,000 | STIM 220 | 300,000 | CON 558 | 180,000 | BCOM SND | 38,000 | 662,000 |
| Continuency | DEDC 295 | | DICC 331 | | | | CDR 221 | 11,000 | | | 11,000 |
| P&A Costs Tota Hungo e Cost | | 2 660,000 | DICC 275 | 362.000 | | C 3/11/22 | | 20 4 2 7 7 | | 455.000 | 0 10 513 500 |
| Dive Pipe | DATE 150 | 2 050.000 | | 362,030 | | 6.291,500 | | 784 500 | | 416,000 | 0.515 500 |
| Conductor Prov | DWEE 136 | 0 | | | | | | | | | 0 |
| Water String | DWEB 135 | 0 | | | | | | | | | 0 |
| Surface Casura | DWEB 140 | 14,000 | | | | | | | | | 14,000 |
| Intermediate Casing 1 | DWEB 145 | 121,000 | | | | | | | | | 121,000 |
| Intermediate Causig 2 | DWEB 155 | 0 | | | | | | | | | 0 |
| Dr.Bing Lines | DWEB 160 | 0 | | | | | | | | | 0 |
| Production Casing or Error | | | DOVER 100 | 420,000 | | | | | | | 420,000 |
| Production 3x -3x/s | | | DAVEA 165 | 0 | STIRIT 101 | C- | | | | | 0 |
| fet ng | | | | | STREET TES | 59,000 | | | PCONT 105 | 0 | \$9,000 |
| Blathest free Choics | DALE 115 | | DWEA IZO | | STILLET 120 | 25 000 | | | PCCMF 120 | 0 | 65,000 |
| tines Hanger, holation Packer | DWES 100 | 0 | DV/EA 125 | 0 | 484 | | | | | | 0 |
| Parker, Ripple- | | | | | \$10M1.400 | 15.000 | | | PCONT DO | 0 | 15,000 |
| Pumping Unit Engine | | | | | STHAT.405 | 0 | | | PCOME ES | 0 | 0 |
| Davohale Lift Equipment Surface Equipment | | | | | STRAT 410 | 80,000 | | | PCGMT 420 | 0 | 80,000 |
| Well Automation fitte rails | | | | | | | | | PCOVIT 155 | 0 | 0 |
| fota langule - Well Equipment Con | | 155,000 | | 440 000 | | 179.000 | | | 100111193 | 0 | 774,000 |
| A Clease Equipment | | 133.000 | | 110 000 | | 17 2.000 | COC-1 400 | 245 003 | | · | 245 000 |
| Tanks Tanks Stept: Store | | | | | | | CONT 405 | 176.533 | | | 176,500 |
| Sattery Equipment | | | | | | | 013 T/103 | 357,000 | | | 357,000 |
| Secondary Contain month | | | | | | | COOT 415 | 79,000 | | | 79 000 |
| Overhead Power Distribution | | | | | | | CONT 4.0 | 91,000 | | | 91,000 |
| Facility Electrical | | | | | | | CQ#41 425 | 134 500 | | | 134.500 |
| Telecommunication Equipment | | | | | | | CUN1 426 | 0 | | | ٥ |
| Meters and Africany Equipment | | | | | | | CON1415 | 26,500 | | | 26.500 |
| Facility Line Pipe | | | | | | | CONT 450 | 70,000 | | | 70,000 |
| Lease Automation Materials | | | | | | | CON1 455 | 115 800 | | | 115,000 |
| FLGC - Materials | | | | | | | CONT 550 | 7.500 | | | 7.500 |
| FLGI - time Fige Com colonia servicial | | | | | | | COCH 555 | 15 000 | | | 15.000 |
| SWO Other Materials SWO Other lens hing | | | | | | | CONTESS | 0 | | | 0 |
| Form to go in Heath Equipment Con- | | | | | | | CO 11 C 12 | 1 317,030 | | | 1,317,000 |
| Total Estimated Cost | | 2,815,000 | | 802,000 | | 6,470,000 | | 2,101,500 | | 416,000 | 12,604,500 |
| in which which is different a below or or gain, with gray the gr | | _, | | , | | 21-1-4/200 | | _,,_,,, | | , | |



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE

AFE # 26619025

| C | OW IT | | | | | | | | |
|----------------------------------------------------------------|----------------------|--------------------------------|-----------|------------|------------------------------|---------|-------------|-------------------------------|-----------|
| Description | Co.A. | BCP - Drilling | | . (5) | ACP - Drilling | 201 | | Comp/Stim | 4.121.1 |
| Roads & Location | DIDC 10 | 10 | 125,00 | | | 200 | Cone. | | 5,000 |
| Daniages | DIDC.10 | 35 | 10,00 | | | | | | 3,000 |
| Mud/Fluids U.spesal | DIDC.25 | \$ | 180,00 | | | | \$11M.23 | 5 | 46,000 |
| Day Rate | DIDC 11 | | 569.00 | 0 DICC.120 | 4 days at \$25,000/day | 100,000 | | | |
| Misc Preparation | CIDC 12 | | 35,00 | | | | | | |
| Eits | DIDC 12 | | 85,00 | | | | 510/12 | 5 | 0 |
| fuel | DIDC.13 | | 92,00 | | | (| | | |
| Water for Ording Rio Grut Free Water, | DIDC 14 | | 5.00 | | | (| \$76M 13 | \$ | 24,600 |
| Mud & Add twes Surface Reptals | DIDC 14 | o O Per Day (BCP) Nay | 250,00 | 0 DICC 140 | | | SHM: 14: | | |
| Flowback Labor | 0100.13 | 2 -61 043 (0C+1.03) | 33,00 | U DICC.140 | | | \$11M.141 | | 174.000 |
| Dawnhale Rentals | OILC 15 | 5 | 122,00 | n | | | STIM 1-49 | | 0 |
| Automation Labor | | | .22,00 | | | | | 1 | C. |
| Formation Evaluation (DSI, Coring, etc.) | DIDC 16 |) | | 0 | | | \$1174.150 |) | o |
| Mud Logging | DIDC 17 | 20 days at \$1,200/day | 29,000 |) | | | | | |
| Open Hole Logging | DIDC 18 | | (| 9 | | | | | |
| Cententing & Float Equipment | DIDC 185 | | 150,000 | | | 175,000 | | | |
| Tubular Inspections | DIDC 190 | | 35,000 | | | 5,000 | | 1 | 2,000 |
| Casing Crows | DIDC 195 | | 10,000 | | | 20,000 | | | 0 |
| Mechanical Labor | DIDC 200 | | 15.000 | | | 5,000 | | | 0 |
| Freching Transportation | OIDC 205 | | 20,000 | | | 15.000 | | | 7,000 |
| Supervision | DIDC 210 | | 111,000 | | | 16,000 | | | 69,000 |
| Trailer House/Camp/Catcring Other fibs. Expentes | DIDC 283 | | 32,000 | | | 4,000 | | | 34,000 |
| Overhead | DIEC 225 | | 3,000 | | | 0 | | | 90.000 |
| Remedial Centerring | DIDC 231 | | 10,000 | | | 5,000 | \$184.215 | | ^ |
| MOB/DEMOB | DIGC.240 | | 150,000 | | | | J 1001/4 13 | | 0 |
| Direct anal Dr Bing Services | DIDC 245 | | 216,000 | | | | | | |
| Solids Control | DIDC 260 | | 77,000 | | | | | | |
| Well Control Equip (Snubbing Services) | DIDC 265 | | | DICC 240 | | 0 | STM240 | | 100,000 |
| Fishing & Sidetreck Services | CIOC 270 | | | DICC 245 | | ė, | \$114,245 | | 0 |
| Completion R.g. | | | | | | | S/IM 115 | | 21,000 |
| Co-I Tubing Services | | | | | | | \$1184.260 | | 271,000 |
| Completion Log jing/Perforating/Aireline | | | | | | | SHM.200 | | 359,000 |
| Composite Plugs | | | | | | | STINU390 | | 95,000 |
| Stimulation | | | | | | | S1P.1.210 | | 3,770,000 |
| Stimulation Water/Water Transfer/Water | | | | | | | S11A1.395 | | 882,000 |
| Cinuser Owned Frac/Rental Equipment | 0107.100 | | | | | | STPM.305 | | 42.000 |
| Legal/Regulatory/Curative Well Control Insurance | DIDC 300 DIDC 285 | 40.25.46 | 10,000 | | | | | | |
| Real Firme Operations Center | DIDC 560 | 30 35 11 | 7.000 | | | | £184£60 | | _ |
| FL/GL - Labor | 0100 300 | | 0 | | | | \$104.560 | | 0 |
| FL/GL - Supervision | | | | | | | | | |
| Survey | | | | | | | | | |
| SWD/Other - Labor | | | | | | | | | |
| SWD, OTHER - SUPERVISION | | | | | | | | | |
| Contingency | DIDC.435 | 500 % of Livilling Intangibles | 127,G00 | DICC 220 | | 17,000 | \$11M.220 | | 300,000 |
| Contingency | | | | | | | | | |
| P&A Costs | DIDC 293 | | 0 | DICC 275 | | 0 | | | |
| You! Imang be Cos | | | 2,660,000 | | | 362.000 | | | 6 291,000 |
| Dine F.pe | DWEE 150 | | 0 | | | | | | |
| Conductor Pipe | DWEE 130 | | 0 | | | | | | |
| Water String | DW18 135 | | 0 | | | | | | |
| Surface Casing | | 13 3/5" - 4001: ut \$35.00/ft | 14,000 | | | | | | |
| Intermediate Casing 1 Intermediate Casing 2 | DWEB 145 | 9 5/8 - 3 460ft at \$35 00/ft | 121,000 | | | | | | |
| Dallang Liner | DWEB 160 | | 0 | | | | | | |
| Production Casing or timer | | | U | DWEA.100 4 | 1/2 • 19,107ft at \$22,00/ft | 420,000 | | | |
| Production he-Back | | | | DWLA 165 | 75 12,1011401 02201,111 | | STEME TOT | | 0 |
| Tubing | | | | | | • | | 2 7/8" - 8 460ft of \$7 00/ft | 59,000 |
| Wellhead, Iree, Chakes | DWEF 115 | | 20,000 | DWEA 170 | | 20,000 | STEAT.120 | | 25,000 |
| Liner Hanger, Bolstion Facker | DWEP 100 | | 0 | DW64 125 | | 0 | | | , |
| Packer, Nipples | | | | | | | STEWF 400 | | 15,000 |
| Pumping Unit Engine | | | | | | | STEVE 455 | | 0 |
| Downhole Lift Equipment | | | | | | | STOM 410 | | 80.000 |
| Surface Equipment | | | | | | | | | |
| Well Automation Materials Total Tangine - Well Equipment Cost | | | 100 0 | | | | | | |
| N/C Lease Equipment | | | 155.000 | | | 440.000 | | | 179,000 |
| Tanks, Tanks Steps Stors | | | | | | | | | |
| Sattery Equipment | | | | | | | | | |
| Secondary Contaminents | | | | | | | | | |
| Overhead Power Distribution | | | | | | | | | |
| Facility Electrical | | | | | | | | | |
| Telecommunication Equipment | | | | | | | | | |
| Meters and Metering Equipment | | | | | | | | | |
| Facility Line Pipe | | | | | | | | | |
| Lesse Automation Materials | | | | | | | | | |
| FL/GL - Materials | | | | | | | | | |
| FL/GL - Line Pape | | | | | | | | | |
| SWD/Other - Materials | | | | | | | | | |
| SWD/OTHER - LINE PIPE | | | | | | | | | |
| Total Tangble - Lease Equipment Cost | | | | | | | | | |



| COMI | 1-1 | | | | | |
|-------------------------------------------------|------------|------------------|------------|--------------------------------------------|---------|------------|
| - | | Production Equip | | Post Completion | | Total |
| Description | 4444 | A | | PastPower | 10,000 | 201,500 |
| Reads & Location | CONTROL | | PCOSA TO | Road Repair | 10,000 | 26,000 |
| Daniages | COC III | 16 000 | Breita sts | Water Disposal (2000 BAPO - \$2.25 for 60 | 275,000 | 501,000 |
| MuduPluids Dinpasol Day Rate | | | 10000 | essett confirmation for many or an army to | 213,000 | 669,000 |
| Misc Preparation | | | | | | 35,000 |
| Bits | | | PCOM 125 | | 0 | 85,000 |
| Fuel | | | PCOM 130 | | 0 | 92,000 |
| Water for Drift og Rig (Sich Fran Water) | | | PCOM 135 | | 0 | 29,000 |
| Mud & Additine: | | | | | | 250,000 |
| Surface Rentals | CON 149 | 6500 | PCOM 140 | Sand Separator and Iron (30 days) | 33,600 | 308,500 |
| Flowback Labor | | 9.300 | | Flowback hands (10 days) | 60,000 | 60,000 |
| Downhale Remak | | | PC05/145 | • | 0 | 122.000 |
| Automation Libbr | CQN: 150 | 95,000 | PCOM 150 | | 0 | 95,000 |
| Formation Evaluation (DST Cormal etc.) | | 33,000 | | | | 0 |
| Mud Logging | | | | | | 29,000 |
| Open Hale Logging | | | | | | D |
| Cen enting & Float Equipment | | | | | | 325,000 |
| Tubular Inspections | | | PLOSE IN | | e | 42,000 |
| Casing Crews | | | | | | 30,000 |
| Mechanical Labor | CON 170 | 230 500 | PCQ83-170 | | 0 | 250,500 |
| Trucking (Transportation | CON 175 | | PCO13 175 | | 0 | 84,000 |
| Supervision | CON 182 | | PCO12 18.1 | | 0 | 244,500 |
| Trailer House (Camp Catering | 40.1.01 | 40.500 | | | • | 70,000 |
| Other Misc Expenses | CGA-190 | 20,000 | PLU19 190 | | e | 113,000 |
| Overhead | | 80.000 | | | - | 15,000 |
| Remedial Cementing | | | P.CM2215 | | 0 | 0 |
| MOSPENOS | | | | | | 150,000 |
| Directional Drilling Senitres | | | | | | 216.000 |
| Selids Control | | | | | | 77,000 |
| Well Control Equip (Snubbing Services: | | | PCOMIZE | | 0 | 190,000 |
| Fishing & Sidetrack Services | | | PCOM 245 | | 0 | 0 |
| Complet on Rig | | | PCON 115 | | 0 | 21 000 |
| Coll Tubing Services | | | PCOM 260 | | 0 | 271,000 |
| Completion Logging/Perforating/Afrekise | | | PCONT 200 | | 0 | 359,000 |
| Compos te Phags | | | PCOM 390 | | 0 | 95,000 |
| Stimulation Pymong/Chemicals/Additives/Send | | | PCON 210 | | 0 | 3,770,000 |
| Stimulation Water/Water Transfer/AVater Storage | | | | | - | 882.000 |
| Cymarez Owned Frac/Rental Equipment | | | POURS 365 | | 0 | 42 000 |
| Legal/Regulatory/Curative | CON 31.0 | 0 | | | • | 10,000 |
| We3 Control Insurance | | • | | | | 7.000 |
| Real Time Operations Center | | | | | | D |
| FLIGI - Latine | CON SON | 73 500 | | | | 73 500 |
| FL/GL - Supervision | CON SOS | 0 | | | | 0 |
| Suning | CON-515 | 0 | | | | 0 |
| SV/D.Other - Labor | CON 600 | 3 | | | | 0 |
| SWO, OTHER - SUPERVISION | CON 605 | 0 | | | | 0 |
| Contingency | CON 220 | 189,000 | PCQ54328 | 16% | 38,000 | 662,000 |
| Contrigency | CON 221 | 11,900 | | | | 11000 |
| P&A Costs | | | | | | 0 |
| Total Intangle Cost | | 784,500 | | | 416 000 | 10 513,500 |
| Drive Pipe | | | | | | 0 |
| Conductor Pipe | | | | | | 0 |
| Water String | | | | | | 0 |
| Surface Casing | | | | | | 14 000 |
| Intermediate Casing 1 | | | | | | 121 000 |
| Intermediate Casing 2 | | | | | | 0 |
| Dollang Lines | | | | | | 0 |
| Production Casing or Lines | | | | | | 420.000 |
| Prad ict on Tie-Sack | | | | | | 0 |
| ในปกฏ | | | PCO581365 | | 0 | 59,000 |
| Welhead Tich Chokes | | | PCOVE 126 | | 0 | 65 000 |
| Liner Hanger, holation Packer | | | | | | 0 |
| Packer, Is oples | | | ECONT 160 | | 0 | 15,000 |
| Pumping Un: Engine | | | PCONS 805 | | 0 | 0 |
| Downhote Lift Equipment | | | PCOME 410 | | 0 | 80.000 |
| Surface Equipment | | | PCOME 120 | | 0 | 0 |
| Well Automation Materials | | | PCOMT 155 | | 0 | 0 |
| Total Tang ale - Wei Equipment Cost | | | | | 0 | 774.000 |
| N-C Lease Equipment | CONT 400 | 245,000 | | | | 245.000 |
| Tacks Tanks Steps Stars | CO1.1 195 | 176,500 | | | | 176.500 |
| Battery Equipment | CONT 410 | 357,000 | | | | 357,000 |
| Secondary Containments | CONT 415 | 79.000 | | | | 79,000 |
| Overstead Fewer Distribution | CO'17 426 | 91.000 | | | | 91,030 |
| Facility Electrical | CONT 425 | 134.500 | | | | 134,500 |
| Telecommunication Equipment | CONT 420 | 0 | | | | 0 |
| Meters and Metering Equipment | CONT 415 | 26,500 | | | | 26,500 |
| Facility Line Ripe | CO':T 458 | 70,000 | | | | 70,000 |
| Lease Automation Materials | CO'17 453 | 115.000 | | | | 115,000 |
| FL/GL - Materials | CO'11 550 | 7,500 | | | | 7,500 |
| Furth - Line Page | CO'.T \$53 | 15.000 | | | | 15,000 |
| SWD. Other - Materials | CONT 650 | 0 | | | | 0 |
| SWD, OTHER - LIFE PPE | CO137 655 | 0 | | | | 13/7/10 |
| Teta Tangbie - transitique prient Cost | | 1,317,000 | | | 416.000 | 13(7000 |
| Total Estimated Cost | | 2,101,500 | | | -10,000 | 12,000,300 |

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

County

EDDY

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

Section

15

Township

19S

LANDING POINT/FIRST TAKE POINT

BOTTOM HOLE LOCATION/ LAST TAKE POINT

= SECTION CORNER LOCATED

Range

29E

UL or lot no.

L

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | API Number | | ³ Pool Name |
|-----------------|----------------------------------------|---------------------|------------------------|
| 4 Property Code | ······································ | PARKWAY 15-14 SO | |
| 7 OGRID No. | | Operator CIMAREX EN | |

"Surface Location

SOUTH

SCALE

REV: 2 12-18-18 C.M.T. (WELL NAME CHANGE)

Feet from the

390

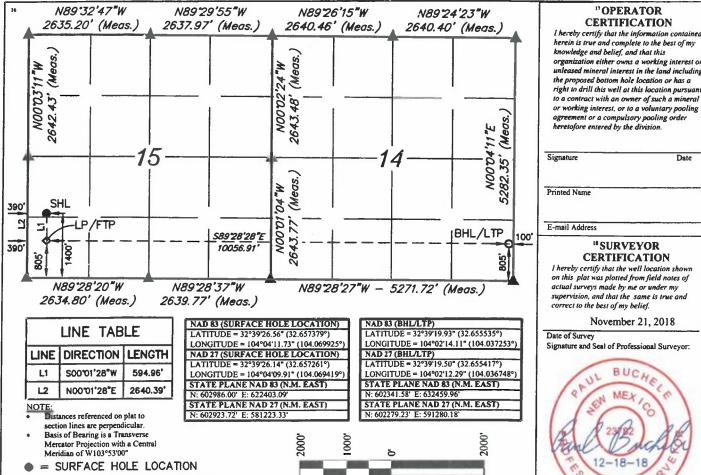
East/West line

WEST

North/South line Lot Idn Feet from the 1400

| "Bottom Hole Location If Different From Surface | | | | | | | | | |
|-------------------------------------------------|---------------|-----------------|--------------|----------------|----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot no. P | Section 14 | Township 19S | Range 29E | Lot Idn | Feet from the 805 | North/South line SOUTH | Feet from the 100 | East/West line EAST | County EDDY |
| 12 Dedicated Acre | es 13 J | oint or Infill | 14 Conse | olidation Code | 15 Order No. | | - | | · |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



"OPERATOR CERTIFICATION

herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

| Signature | Date |
|-----------|------|
| | |
| | |

"SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Signature and Seal of Professional Surveyor:



Certificate Number

Case Nos. 20395, 20396, 20397, 20398





December 10, 2018

Hunt Oil Company 1900 N. Akard Street Dallas, Texas 75201

Re:

Proposal to Drill

Parkway 15-14 South State Com 2H

Sections 15 & 14, Township 19 South, Range 29 East

Eddy County, New Mexico

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 South State Com 2H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1400' FSL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 805' FSL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 South State Com 2ll well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

Riley C Morris, RPL rmorris@cimarex.com

432,620,1966

CIIVIARE

ELECTION TO PARTICIPATE Parkway 15-14 South State Com 2H

| | Hunt Oil Company elects TO participate in the proposed Parkway 15-14 South State Com 2H well. |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Hunt Oil Company elects NOT to participate in the proposed Parkway 15-14 South State Com 2H well. |
| Dated this day of | , 2018. |
| Signature: | |
| Title: | |
| | |
| If your election above i | s TO participate in the proposed Parkway 15-14 South State Com 2H well, then: |
| | Hunt Oil Company elects TO be covered by well control insurance procured by Cimarex Energy Co. |
| | Hunt Oil Company elects NOT to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co. |



Authorization For Expenditure Drilling

AFE # 26619026

Date Precisied 12/10/2018

s with tailor Region.

1.40 [.37]

1 - 7-1

Property Larry er

252

Permian Basin

PARKWAY 15-14 SOUTH STATE COM New Mexico Bone Spring Pros 2H (Eddy)

309775-297.01

26619026

C #1, \$14.5

2H Location

Estimated South

Estimated Completion

Eddy, NM

\$/2 \$/2 of Sections 15 and 14, T295, R29E, Eddy County, NM

5/7/2019

8/25/2021

X New Supplement Comation

Weli Type

Itl Measured Depth:

Itil Vetical Depth

Revision

Bone Spring 3 /Sd/

DEV

19,200

8,840

Purpose

Drill and complete well

Date pton

flag Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12'/100' initial build rate to +/- 90 degrees and8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

| Intangible | Dr., ial | After Casing Point | Completed Well Cost |
|-----------------------|-------------|--------------------|---------------------|
| Drilling Costs | \$2,660,000 | | \$2,660,000 |
| Completion Costs | | \$7,384,000 | \$7,384,000 |
| Total intangible Cost | \$2,660,000 | \$7,384,000 | \$10,044,000 |
| Tangible | Dry Hole | After Caling Point | Completed Well Cost |
| Well Equipment | \$155,000 | \$618,000 | \$773,000 |
| Lease Equipment | | \$241,500 | \$241,500 |
| Total Tangible Cost | \$155,000 | \$859,500 | \$1,014,500 |
| Total Well Cost | \$2,815,000 | \$8,243,500 | \$11,058,500 |

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company

Approved By (Print IN inve)

Approved By (Signuture)

Date

NOTICE TO NONOPERATOR. Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018

| COIVIZ | | Drilling | ACP - | - Drilling | Con | np/Stim | Product | lon Equip | Post Co | mpletton | Total |
|-------------------------------------------------|-----------------|-----------|-----------|------------|------------|-----------|-----------|-----------|------------|----------|------------|
| Description Roads & Local on | DIDK 10. | 125,000 | 277 | 711.11 | STILL 10 | 5,000 | CON 100 | 0 | PCGW 100 | 10,000 | 140,000 |
| Damages | DIDC 113 | 10.000 | | | | 3,000 | CON 105 | 5,000 | | ******* | 15,000 |
| Madificate Disposal | DIDC 255 | 180,000 | | | \$104.255 | 46,000 | | 5,000 | FC0N1255 | 275,000 | 501 606 |
| Day Rate | DIDC 115 | 569,000 | DICC 120 | 100,000 | | , | | | | , | 669,000 |
| Nasc Preparation | DiDC 120 | 35,000 | | | | | | | | | 35.000 |
| BKD | DIDC 125 | 85,000 | DICC 125 | 0 | \$1151.125 | 0 | | | PCOM: 125 | ٥ | 85.000 |
| fuel | DIDC 135 | 92,000 | DEC 136 | 0 | | | | | PCQA1 130 | O | 92,000 |
| Water for Drifting Rig (Not Frac Water) | DIOC 140 | 5,000 | DKC 135 | 0 | SHM 135 | 24,000 | | | PCOM 135 | 0 | 29,000 |
| Must & Additives | DIDC 145 | 250,000 | | | | | | | | | 250,000 |
| Surface Rentals | DIDC 150 | 95,000 | DK.C 140 | 0 | \$10A 140 | 174,000 | CON 140 | 6,500 | PCON: 140 | 33.000 | 308,500 |
| Flowtisck Labor | | | | | 51IM 141 | 0 | | | PCOM 141 | 60.000 | 60.000 |
| Dranhole Renials | DIDC 153 | 122,030 | | | STIM 125 | G | | | PCOM 145 | 0 | 122,000 |
| Automation Labor | | | | | | | CON1150 | 19.000 | PCON* 150 | 0 | 19,000 |
| Formation Evaluation (DST Coring etc.) | DIDL TUD | 0 | | | STIME ESO | 0 | | | | | O |
| Mid togging | DIDC 176 | 29.000 | | | | | | | | | 29.000 |
| Open Hale Logging | DEDI. 180 | 0 | | | | | | | | | 0 |
| Comenting & Flort Equipment | DIDC 183 | 150,000 | DICK 155 | 175,000 | | | | | | | 525,000 |
| fubular hispections | DID: 190 | 35,000 | DICK 160 | 5,000 | 53Mt 163 | 2.000 | | | PCOM 160 | 6 | 42 000 |
| Cating Crews | DIDC 195 | 10,000 | DK.C 165 | 20,000 | STIM 165 | G | | | | | 30 000 |
| Mechanicattation | 000,200 | 15,000 | DICC 170 | 5,000 | STINE FOR | 0 | CC#1170 | 124,500 | PCO1/ 170 | c | 144,500 |
| Trucking/Transportation | DIDL 205 | 20,000 | DICC 175 | 15,000 | STIM 175 | 7,000 | CON 175 | 15,000 | PCON 175 | 0 | 57 000 |
| Supervision | 0000 310 | 111,000 | DICC 160 | 16,000 | STIM 180 | 69,000 | CC91 180 | 11,009 | PCOM 180 | 0 | 207,000 |
| Frailer House/Camp/Catering | DEX. 280 | 32,000 | DICC 255 | 4,000 | \$11M 280 | 34 000 | | | | | 70,000 |
| Other Misc Expenses | DIDL 220 | 3,000 | DICC 190 | 0 | 5103 193 | 90,000 | COST 160 | 10,000 | PCOM 190 | 0 | 103,000 |
| Overhead | DIOC 225 | 10,000 | DICC 195 | 5,000 | | | | | | | 15,000 |
| Pemedial Cementing | DIDK 231 | 0 | | | STI84.215 | C | | | PCOM 215 | 0 | 0 |
| MOB/DEMO8 | DIDC 240 | 150,000 | | | | • | | | | | 150,000 |
| Directional Onling Services | DIDC 245 | 216,000 | | | | | | | | | 216.000 |
| Solids Control | DIDC 260 | 77,000 | | | | | | | | | 77,000 |
| Well Control Equip (Snobbing Services) | DIDC 265 | 90.000 | DICC 240 | 0 | STIM 240 | 100,000 | | | PCOM 240 | 0 | 190,000 |
| Fishing & Sidetrack Senaces | DIDC 276 | 0 | DICC 245 | 0 | ST8M.245 | 0 | | | PC OM 245 | 0 | 0 |
| Completion Rig | | | | | STIM 115 | 21.000 | | | PCOM 115 | 0 | 21,000 |
| Cnd Tubing Services | | | | | STIM 260 | 271,000 | | | PCON 260 | 0 | 271,000 |
| Completion togging/Hertarating/twelve | | | | | STIRE 200 | 359,000 | | | PCOM 200 | e | 359,000 |
| Composite Plags | | | | | STIM 390 | 95,000 | | | PCOM 390 | 0 | 95,000 |
| Stimuletian Pumping/Chemicals/Additives/Sand | | | | | \$800.210 | 3,770,000 | | | PCON 210 | 0 | 3 770,000 |
| Stimulation Water, Water Transfer/Water Storage | | | | | STIM 395 | 882,000 | | | | | 882,000 |
| Contres Owned FracRental Equipment | | | | | \$194 305 | 42,000 | | | PEQM 303 | 0 | 42.000 |
| Legal/Regulatory, Curative | DIDC 300 | 10,000 | | | | | CON 360 | 0 | | | 10.000 |
| WeB Control Insurance | DIDC 285 | 7.000 | | | | | | | | | 7,000 |
| Real Time Operations Center | DIDC \$60 | g. | | | \$10M 560 | 0 | | | | | 0 |
| FL/Gt - Labor | | | | | | | CON 500 | 73,500 | | | 73,500 |
| FE/Gt - Supervision | | | | | | | COH 505 | 0 | | | 0 |
| Survey | | | | | | | CON 515 | 0 | | | 0 |
| SW/D/Other - Labor | | | | | | | CCXV 600 | G | | | 0 |
| SWD/OTHER - SUPERVISION | | | | | | | CONTROS | 0 | | | 0 |
| Contingency | DIOC 135 | 127,000 | DICC 570 | 17,000 | S184 226 | 300,000 | CON 220 | 40.500 | PCCIV.220 | 38.000 | 522,500 |
| Contingency | | | | | | | CON 221 | 10,000 | | | 10,000 |
| P&A Costs | DIOC 295 | 0 | DICC.27S | 0 | | | | | | | 0 |
| Fota Intangible Cod | | 2.660,000 | | 362,000 | | 6,291,000 | | 315,000 | | 416 000 | 10,044,000 |
| Ouse Pipe | DWED 150 | 0 | | | | | | | | | 0 |
| Canductor Pipe | DWED 130 | 9 | | | | | | | | | 0 |
| Water String | DWEB 135 | 0 | | | | | | | | | 0 |
| burtite Laung | D4.18 140 | 14,000 | | | | | | | | | 14.000 |
| Intermediate Caung T | DAEC 145 | 121.000 | | | | | | | | | 121,000 |
| Intermediate Casing 2 | DWEB 155 | 0 | | | | | | | | | 0 |
| Dr Bing Lines | D-M18 160 | 0 | | | | | | | | | 0 |
| Production Casing or timer | | | DWEA 160 | 419,003 | | | | | | | 419,000 |
| Production Tendants | | | DWEA 165 | 0 | \$199T 101 | 0 | | | | | 0 |
| Transp | | | | | STRAT 105 | 59,000 | | | PC0M1.105 | 0 | 59,000 |
| Welnest Ter Chokes | DWEB 115 | | DIVEA 120 | 20,000 | \$18/11/26 | 25,000 | | | PCQMT.120 | 0 | 65,000 |
| Liner Hanger, holation Packer | DWEB 100 | 0 | DWEA 125 | 0 | | | | | | | 0 |
| Packer, Euppiles | | | | | \$1001.400 | 15,000 | | | PCOME ICO | 0 | 15,000 |
| Puniping Unit, Engine | | | | | ST#41 405 | 0 | | | PCONT 405 | 0 | 0 |
| Downhole Lift Equipment | | | | | 911-11472 | 80,000 | | | PCOMI 110 | 0 | 80 000 |
| Scalace Equipment | | | | | | | | | PCOMT.420 | 0 | 0 |
| Well Automation Materials | | | | | | | | | PCOAST 155 | 0 | 0 |
| Total Tengbio - Wei Equipment Cost | | 155,000 | | 439.000 | | 179,000 | | | | e | 773,000 |
| N/C Lease Equipment | | | | | | | CO411 400 | 118,500 | | | 118,500 |
| Tanks Tanks Steps Stairs | | | | | | | COM1502 | 0 | | | 0 |
| Battery Equipment | | | | | | | CON1410 | 45,000 | | | 46,000 |
| Secondary Containments | | | | | | | CONT 415 | 9,000 | | | 9.000 |
| Overhead Power Octribution | | | | | | | CONT 420 | Đ | | | 0 |
| Facility Electoral | | | | | | | CONT 425 | 0 | | | 0 |
| Telecommunica: on Equipment | | | | | | | CO1:1 426 | 0 | | | 0 |
| Meters and Metering Equipment | | | | | | | CONT 435 | 8,500 | | | 8,500 |
| Fatility tine Pipe | | | | | | | CO214% | 14.000 | | | 14,000 |
| Lerse Automation Maserials | | | | | | | CONT 455 | 23,000 | | | 23,000 |
| FLGL - Materials | | | | | | | CON1 550 | 7.500 | | | 7.500 |
| FE/Gt + Line Pige | | | | | | | CONT 555 | 15,000 | | | 15.000 |
| SWD/Other - Materials | | | | | | | CONT 650 | 0 | | | 0 |
| SWD/OTHER - LEVE PUPE | | | | | | | CONT 655 | 0 | | | 0 |
| Focal Tangel's - Lease Equipment Cost | | | | | | | | 241,500 | | | 241,500 |
| Total Estimated Cost | | 2,815,000 | | 801,000 | | 6,470,000 | | 556,500 | | 416,000 | 11,058,500 |

| C | JIVI ZITI | aca patrice | | | ACD Dellar | | | Carra Film | |
|----------------------------------------------------|----------------------|-------------------------------------|-----------|--------------------------|-------------------------------|------------|----------------------------|-------------------------------|--------------------|
| Description | Cr. 3- | BCP - Drilling | 4173 | Cal | ACP - Drilling | A | Sem | Comp/Stim | faring) |
| Roads & Location | DIDC.10 | | 125,00 | | | | S18A 10 | 0 | 5,000 |
| Daniages | DIDC 10 | 15 | 10,00 | | | | | | |
| Mud/Fluids Disposal | DIDC 25 | \$ | 180,00 | 0 | | | \$1841.25 | 5 | 46,000 |
| Day Rate | | 5 22 days at \$25,000/day | 559.00 | | 4 days at \$25 000 Aday | 100,000 | • | | |
| Misc Preparation | DIDC 12 | - | 35,00 | | | | | | |
| isits fuel | | > 5 1,150 gal/stay at \$3 00/gal | | 0 DICC.125 0 DICC.130 | | 0 | | S | D |
| Water for Driking Rip (Not Frac Water) | DIDC.13 | | | 0 DICC 135 | | 0 | | | 24,000 |
| Mud & Additives | DIDC.14 | | 250,00 | | | | 51110112 | | 24,000 |
| Surface Reistals | DIDC.15 | 9 Per Duy (BCP)/day | | D EHCC.140 | | 0 | S184 140 |) | 174,000 |
| Flowback Lapor | | | | | | | \$104.14 | 1 | 0 |
| Downhole Rentah | DIOC 15 | 5 | 122,000 | 0 | | | \$100,145 | • | 0 |
| Automation Labor | | _ | | | | | | | |
| Fonnation Evaluation (DS1, Coring, etc.) | DIDC 160 | 0 3 - 20 days at \$1,200/day | | 9 | | | STRA 150 | • | 0 |
| Med Logging Open Hale Logging | DIDC 170 | | 29,000 | | | | | | |
| Cementing & Float Equipment | DIDC 185 | | | DICCISS | | 175,000 | | | |
| Tubular Inspections | DIDC 19 | | 35,000 | | | 5.000 | | | 2.000 |
| Casing Crews | DIDC:195 | S | | DICC.165 | | 20,000 | | | 0 |
| Mechanical Labor | DIDC 200 |) | 15,000 | DICC 176 | | 5,000 | | | 0 |
| Procking/Transportation | DIDC 205 | | 20.000 | | | 15,000 | | | 7,000 |
| Supervision | D:DC 210 | | 111,000 | | | 16,000 | | | 69,000 |
| Trailer Hause (Camp/Catening Other Miss Expenses | DIDC 280 | | 32,000 | | | 4,000 0 | \$11% 260 \$31% 150 | | 34,000 |
| Overhead | DIDC 225 | | 3,000 | | | 5,000 | 331.0 (90 | | 90,000 |
| Remedial Cementing | DIDC 231 | | 0.000 | | | 3,000 | \$115/ 215 | | 0 |
| MCB/DEMOB | DIDC 240 | 1 | 150,000 | | | | | | |
| Directional Drifting Services | DIDC 245 | | 216,000 | 1 | | | | | |
| Sol-ds Control | DIDC 260 | | 77,000 | | | | | | |
| Well Control Equip (Shubbing Services) | DIDC 263 | | | DICC 240 | | 0 | | | 100.000 |
| Fishing & Sideback Services | DIDC 270 | | -0 | DICC 245 | | c | | | 0 |
| Completion Rig Co-1 Tubing Services | | | | | | | \$11M 115 \$11M 260 | | 21,000 |
| Completion Logging/Ferlatating/Altreline | | | | | | | STIM 200 | | 271,000 359.000 |
| Composite Plugs | | | | | | | STIM 390 | | 95.000 |
| Streclation | | | | | | | \$104.210 | | 3,770,000 |
| Stimulation Water/Water Transfer/Water | | | | | | | \$164.395 | | 882,000 |
| Crisares Osned Frat/Rental Equipment | | | | | | | \$1144.305 | | 42,000 |
| Legal/Regulatory/Curutiva | DIDC 300 | | 10.000 | | | | | | |
| Well Control Insurance Real Time Operations Center | DIDC 285 DIDC 560 | 30 35 TT | 7,000 | | | | \$112.360 | | |
| FL-Gt - Liber | LIDC 300 | | 0 | | | | 2417.380 | | 0 |
| FL/GL - Supervision | | | | | | | | | |
| Survey | | | | | | | | | |
| SWD, Other - Labor | | | | | | | | | |
| SWO, OTHER - SUPERVISION | | | | | | | | | |
| Contingency | DIDC.435 | 500 % of Drilling Intang tiles | 127,000 | DKCC 530 | | 17,000 | \$11/4 550 | | 300,000 |
| Contrigericy P&A Costs | DIDC 235 | | 0 | DICC 275 | | 0 | | | |
| Total Imang the Cost | | | 2,660 000 | DICC. 273 | | 362,000 | | | 6.291,000 |
| Dine Fige | DWES 150 | | 0 | | | 300,000 | | | 0.291,000 |
| Conductor Pips | CAVEE 130 | | 0 | | | | | | |
| Water String | CWEF 135 | | 0 | | | | | | |
| Surface Casing | | 13 3/6" - 400ft at \$35.00/ft | 14,000 | | | | | | |
| Intermediate Casing 1 | | 9 5/8 - 3 460h at \$35 00/h | 121,660 | | | | | | |
| Intermediate Casing 2 Drilling Liner | DWEB 155 | | 0 | | | | | | |
| Production Casing or Liner | 211.6 100 | | 0 | DAVEA 100 | 5 1/2 - 19.0554 at \$22.00 ft | 419,000 | | | |
| Production Tee-Bick | | | | DWEA 165 | | | 101 18412 | | 0 |
| Tulong | | | | | | | STEAT 105 | 2 7/8" - 8 460ft at \$7 (2 ft | \$9.000 |
| Weltread Tree Chakes | DW68 H5 | | | DWEA 120 | | | \$1P#1 128 | | 25 000 |
| Liner Hanger, hobition Factor | DWIE 103 | | 0 | DIVEA.125 | | 0 | | | |
| Pauker, Nupries | | | | | | | SIPAL 400 | | 15.000 |
| Pumping Unit Engine Dawnhole Lift Equipment | | | | | | | \$19/41.40° \$18/81.410 | | 0 |
| Surface Equipment | | | | | | | 311.7.7.410 | | 000 08 |
| Well Automaton Materiuls | | | | | | | | | |
| Total Tangusie - We' Equipment Cost | | | 155,600 | | | 439.000 | | | 179,000 |
| N/C Lease Equipment | | | | | | | | | |
| Tanks Tanks Steps Stors | | | | | | | | | |
| Battery Equipment Secondary Contamments | | | | | | | | | |
| Overhead Power Distribution | | | | | | | | | |
| Facility Electrical | | | | | | | | | |
| Felecommunication Equipment | | | | | | | | | |
| Meters and Metering Equipment | | | | | | | | | |
| Facility time Pipe | | | | | | | | | |
| Lease Automation Materials | | | | | | | | | |
| FUGL - Materials FUGL - tint Pice | | | | | | | | | |
| SVO:Other - Materials | | | | | | | | | |
| SWD, OTHER - LIVE PIPE | | | | | | | | | |
| Total Tangible - Lease Equipment Cost | | | | | | | | | |
| Total Estimated Cost | | | 2 815 000 | | | 801.000 | | | 6.470.000 |

Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 2H

| COIVI Z | | | | Part Completion | | Total |
|------------------------------------------------|-----------|------------------|------------|--------------------------------------------|---------|-------------|
| | | Production Equip | | Post Completion | Acres | 100 |
| Description | 477.400 | | DOOR TO | Road Repair | 10,000 | 140,000 |
| Reads & Encation | CGN.100 | 0 | PCO12,100 | ected stability | 10,000 | 15,000 |
| Damages | CCM 102 | 5.000 | 0004115 | | 275,000 | 501,000 |
| MudyPlaint Disposal | | | PCON 235 | Water Disposal (2000 BWPD 39 \$2.25 for 60 | 275,000 | 669,000 |
| Cay Rate | | | | | | |
| Miss Preparation | | | | | | 35,000 |
| Bits | | | PCO1/1125 | | 0 | 85,000 |
| Fuel | | | PCO31130 | | 0 | 92,000 |
| Water for Dritting Rig (Not Fra: Water) | | | PCOM 135 | | 0 | 29,000 |
| Mud & Additives | | | | | | 250.000 |
| Surface Rentals | CON 140 | 6.500 | PCOM 140 | Sand Separator and Iron (30 cays) | 33,000 | 308,500 |
| flowback Labor | | | PCOM.141 | Flowback hands (30 days) | 60,000 | 60,000 |
| Downhale Rentals | | | PCO% 145 | | 0 | 122,000 |
| Automation Labor | CON 150 | 19,000 | PCOM 150 | | 0 | 19,000 |
| Formation Evaluation (DST, Coring, etc.) | 40-1-17- | 13,000 | | | | 0 |
| Mud Logging | | | | | | 29,000 |
| | | | | | | 0 |
| Open Hole Logging | | | | | | 325,000 |
| Cementing & Float Equipment | | | PLOM 160 | | 0 | 42,000 |
| Inbular Inspections | | | PCC:4 160 | | v | 30,000 |
| Casing Crews | | | | | | 144,500 |
| Mechanical Labor | CON 170 | 124,500 | PCOM 170 | | 0 | |
| Trucking/Transportation | CON 175 | 15,000 | PCQN 175 | | 0 | 57,000 |
| Supervision | CGN: 180 | 11,000 | PCOM 180 | | 0 | 207,000 |
| Trailer House/Camp/Catering | | | | | | 70,000 |
| Other Misc Evpenses | CON 190 | 10.000 | PCOM 150 | | 0 | 103,000 |
| Overhead | | | | | | 15,000 |
| Remedial Comenting | | | PCOM 215 | | 0 | 0 |
| ATOR/DEMOR | | | | | | 150,000 |
| Directional Drilling Senices | | | | | | 216,000 |
| Solids Control | | | | | | 77,000 |
| | | | PCQM 240 | | 0 | 190,000 |
| Well Control Equip (Snubbing Services) | | | PC01.4 245 | | o | 0 |
| Fishing & Sidetrack Services | | | PCOM 115 | | 0 | 21,000 |
| Completion Rig | | | | | 0 | 271,000 |
| Coil Tubing Services | | | PCOM 260 | | | |
| Completion Logging/Perlorating/Afrekne | | | PCOM 200 | | 0 | 359,000 |
| Composite Plugs | | | PCOM 390 | | 0 | 95,000 |
| Stimulation Pumping/Chemicals/Additives/Sand | | | PCOM 210 | | 0 | 3,770.000 |
| Stimulation Water/Water Transfer/Water Storage | | | | | | 882,000 |
| Cimarex Owned Frac/Rental Equipment | | | PCON1.305 | | 0 | 42.000 |
| Legal/Regulatory/Curative | CON 300 | 0 | | | | 10,000 |
| Well Control Insurance | | | | | | 7,000 |
| Real Time Operations Center | | | | | | 0 |
| FL/GL - Labor | CON 500 | 73,500 | | | | 73,500 |
| FL/GL - Supervision | CON 503 | 0 | | | | 0 |
| Survey | CON 515 | 0 | | | | 0 |
| SWO/Other - Labor | CON 600 | 0 | | | | 0 |
| SVD/OTHER - SUPERVISION | CON 605 | 0 | | | | 0 |
| | | | PCOM 220 | 163 | 38,000 | 522,500 |
| Contingency | CON 220 | 40,500 | | 107 | 20,000 | 10,000 |
| Contingency | CON 221 | 10.000 | | | | 0 |
| P&A Costs | | 245.040 | | | 416.000 | 10,044,000 |
| Total Intançible Cost | | 315.000 | | | 410000 | 0,044,000 |
| Drive Pipe | | | | | | |
| Conductor Pipe | | | | | | 0 |
| Water String | | | | | | 0 |
| Surface Casing | | | | | | 14,000 |
| Intermediate Casing 1 | | | | | | 121.003 |
| Intermediate Casing 2 | | | | | | 0 |
| Orifing Lines | | | | | | 0 |
| Production Casing or Liner | | | | | | 419,000 |
| Production Tre-Back | | | | | | 0 |
| Tuthing | | | PCONT 105 | • | 0 | 59,000 |
| Wellhead, Tree, Chakes | | | PCOMT.120 | | 0 | 65.000 |
| Liner Hanger Isolation Packer | | | | | | 0 |
| Packer, Nipples | | | PCOMT.400 | 1 | 0 | 15,000 |
| | | | PCOMT-405 | | ő | 0 |
| Pumping Unit, Engine | | | PCOMT-410 | | o | 80.000 |
| Downhole tifs Equipment | | | PCOMT.420 | | Ó | 0,000 |
| Surface Equipment | | | | | 0 | 0 |
| Well Automation Materials | | | PCONT 455 | • | | _ |
| Total Tang ble - Weil Equipment Cest | | | | | 0 | 773,000 |
| N.C Lease Equipment | COMF 400 | 118,500 | | | | 118,500 |
| Tanks, Tanks Steps: Stairs | COSIT 105 | 0 | | | | 0 |
| Battery Equipment | CONTA10 | 46.000 | | | | 46.000 |
| Secondary Containments | CONTAIS | 9,000 | | | | 9,000 |
| Overhead Power Distribution | CONT.420 | 0 | | | | 0 |
| Facility Electrical | CONT 425 | 0 | | | | 0 |
| Telecommunication Equipment | CONT 426 | 0 | | | | O |
| Meters and Metering Equipment | CONT.445 | 8,500 | | | | 8,500 |
| Facility Line Pipe | CONT.450 | 14,000 | | | | 14,000 |
| Lease Automation Materials | CONT.455 | 23,000 | | | | 23,000 |
| | | | | | | 7,500 |
| FL/GL - Materials | CONT.550 | 7,500 | | | | 15,000 |
| FL/GL - Line Pipe | CONT 555 | 15,000 | | | | 0 |
| SWD/Other - Materials | CONT.690 | 0 | | | | o |
| SWD/OTHER - LINE PIPE | CONT.655 | 0 | | | | 241,500 |
| Total Tang blo - Lease Equipment Cost | | 241,500 | | | 440 444 | 11,058,500 |
| Total Estimated Cost | | 556,500 | | | 410,000 | 4 F,U30,300 |



Authorization For Expenditure Drilling

AFE # 26619026

Date Prepared 12/10/2018

Exploration Region

Cell Mane

Paranel

Property Lincoln

Permian Basin

PARKWAY 15-14 SOUTH STATE COM New Mexico Bone Spring Pros

309775-297.01

26619026

County, State

Location

Estimated Spuri-

Estimated Completion

Eddy, NM

S/2 S/2 of Sections 15 and 14, T29S, R29E, Eddy County, NM

5/7/2019

8/25/2021

X New

Language

Well lype

11 Measured Dec 1

HIVe alberta

Supplement Revision Bone Spring 3 /Sd/

DEV

19,200

8.840

Purpose

Drill and complete well

Description

[1] Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12'/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

(Eddy)

| Intangible | D:, 151 | After Cusing Pole | Completed Walls out |
|-----------------------|-------------|-------------------|-----------------------|
| Drilling Costs | \$2,660,000 | | \$2,660,000 |
| Completion Costs | | \$7,384,000 | \$7,384,000 |
| Total intangible Cost | \$2,660,000 | \$7,384,000 | \$10,044,000 |
| Tangible | Drugge Agle | After Caus a Post | Conglisted Well Colif |
| Well Equipment | \$155,000 | \$618,000 | \$773,000 |
| Lease Equipment | | \$241,500 | \$241,500 |
| Total Tangible Cost | \$155,000 | \$859,500 | \$1,014.500 |
| Total Well Cost | \$2,815,000 | \$8,243,500 | \$11,058,500 |

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

Lelect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Honoperator Approval

Company

Approved By (Print Is user)

Approved by (Sign, tore)

Date

NOTICE TO NONOPERATOR. Costs shown on this form are estimates only. By executing this AFE, the consenting party ogrees to pay its proportionate share of octual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 2H

| Description | | | - Drilling | ACP | - Drilling | Con | np/Stim | Product | don Equip | Post Co | mpletion | Total |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------|------------|-----------|------------|------------|-----------|---------|-----------|-----------|----------|-----------|
| 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 1 | Description | C 100 | 111,1 01 | 5.064 | 30.596 | | | | | | Annuet | F-90 |
| Martine Mart | | | | | | 218M 105 | 5,000 | | - | | 10,000 | |
| Mathematic Mat | - | | | | | 5784 255 | 46 000 | | 5,000 | | 275.000 | |
| Mathematic Mat | · · | | | DICC 120 | 100,000 | | 40,000 | | | | 213,000 | |
| Mathematic | Afise Preparation | DIDC 126 | | | , | | | | | | | |
| March of Date 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 1986 | Bits | DIDC 125 | | DICC 125 | 0 | ST#M 125 | 0 | | | PCOM 125 | 0 | |
| Marie Mari | fuel | DIDC 135 | 92,000 | DICC.130 | C | | | | | PCOM:130 | 0 | 92,000 |
| Separation Sep | Water for Drilling Rig (Hot Fra: Water: | DIDC 140 | 5,000 | DICC 135 | 0 | STIM 135 | 24,000 | | | PCOM 135 | 0 | 29,000 |
| Manufact Manufact | | | 250,000 | | | | | | | | | 250,000 |
| Second column | | DIDC:150 | 95,000 | DICC 149 | C | | 174.000 | CON.140 | 6,500 | | | |
| Control Sales | | | | | | | | | | | | |
| Manufale part Manufale par | | DIDC 155 | 122,000 | | | STIM 145 | 0 | | | | | |
| Macheminy | | mane: aca | | | | | | | 19,000 | PC OM 150 | 0 | |
| Controllegating Control Contro | | | | | | STIM: 150 | 0 | | | | | |
| Second Control Contr | | | | | | | | | | | | |
| Maches presented Maches | | | | 0156.465 | 477.000 | | | | | | | |
| Manager Mana | | | | | | | | | | 00001110 | | |
| Manusclable Dec. 20 | | | | | | | | | | PCUAT 100 | ь | |
| Securition | = | | | | | | - | 6011176 | 134500 | 0001170 | | |
| Servicing | | | | | | | | | | | | |
| District Control Con | | | | | | | | | | | | |
| Dest | | | | | | | | | 11000 | | U | |
| Moniformation | | | | | | | | | 10,000 | PC CM 190 | 0 | |
| Promote Controlling | | | | | | | 30,000 | | 10.000 | | • | |
| Modern Communication | Remedial Cementing | | | | 9,000 | | 0 | | | PCCM:215 | n | |
| Part | - | | - | | | | • | | | | • | _ |
| Mark Commail Equipment Sprackers DDC 256 | Directional Onling Services | | | | | | | | | | | |
| Marting Substantial Substance DIC 28 | Solids Cantral | DIDC 260 | | | | | | | | | | |
| Complement Com | Well Control Equip (Snubbing Services) | DIDC 265 | | DICC 240 | 0 | STIM 240 | 100,000 | | | PCCM 240 | 0 | |
| Controllering Services | Fithing & Sidetrack Services | DIDC 270 | 0 | DICC 245 | 0 | S18A.245 | 0 | | | PCCM: 245 | 0 | 0 |
| Symbol Coopenies Regional Coopenies Regional Coopenies Regional Coopenies Regional Composition Regional Contention Regional | Completion Rig | | | | | SHAT 115 | 21,000 | | | PCCN 115 | 0 | 21,000 |
| Semilation Planger Shrim-tab Addition via Associated Simulation Materia Nation Transition Materia Nation Materia Nation Transition Materia Nation Transition Materia Nation Transition Materia Nation Transition Materia Nation Materia Nation Transition Materia Nation Materia Nation Transition Materia Nation Transition Materia Nation Transition Materia Nation Transition Materia Nation Materia Nation Transition Materia Nation Transition Materia Nation Transition Materia Nation Transition Materia Nation Materia | Coll Tubing Services | | | | | STIM 260 | 271,000 | | | PLCM 260 | 0 | 271,000 |
| Semilation Paramegin Par | Completion Logging/Perlarating/Vireline | | | | | SIM4.200 | 359.000 | | | PCCM 200 | e | 359,000 |
| Semilar Nation | Composite Plugs | | | | | STBM 390 | 95,000 | | | PCCM 390 | 0 | 95,000 |
| March Repulse | Stimulation Pumping/Chemicah/Additives/Sand | | | | | STIM 210 | 3,770,000 | | | PCC9/1210 | 0 | 3.770,000 |
| Mail | | | | | | STIM 395 | 882,000 | | | | | 882,000 |
| Mage for the Content of Content | | | | | | ST## 305 | 42,000 | | | PCOM 365 | 0 | 42,000 |
| Real Plance Operations Center Cen | | | | | | | | CON 300 | 0 | | | 10,000 |
| Public P | | | | | | | | | | | | 7,000 |
| Rigid Supervision | | DIDC 560 | 0 | | | STIM 560 | 0 | | | | | _ |
| Servey S | | | | | | | | | | | | |
| SMOQDIMER - SUPERVISION | · | | | | | | | | | | | |
| SMQ_DIRER - SURPRIVISION | | | | | | | | | | | | |
| Contingency | | | | | | | | | | | | |
| Main | | DOC 415 | 127.000 | Pr// 210 | 17.000 | C1114 730 | 200.000 | | _ | 00041330 | 20.000 | |
| PNA Cost | | DIDC 473 | 127,000 | DICC 220 | 17,000 | 311AK 220 | 300,000 | | | PCON 220 | 38.000 | |
| Tour Tour Incompress | | DCC 295 | 0 | DICC 275 | 0 | | | CONTE | 10,000 | | | |
| Dec | | | _ | 0.000.00 | - | | 6 201 030 | | 215,000 | | 416 000 | • |
| Conduction Pipe | · · | | | | 302,000 | | 0,231,000 | | 313,000 | | 410.000 | |
| Marie String | | | - | | | | | | | | | |
| Surface Casing | Water String | D-0:EB 135 | | | | | | | | | | |
| Intermediate Casing 2 DAKE 145 02 02 03 04 04 04 05 04 05 04 05 04 05 05 | Surface Casing | DW£8.140 | | | | | | | | | | |
| Dulling Liner DAYE Holo Daye | Intermediate Casing 1 | DWEB 145 | | | | | | | | | | |
| Production Leafing or Linear DMEA 100 | Intermediate Casing 2 | DWEB 155 | | | | | | | | | | |
| Production Tie-Bark Divea 165 O STIMIT 101 O STIMIT 105 | Drilling Line: | DWEB 160 | 0 | | | | | | | | | 0 |
| Tubing | Production Casing or Lines | | | DIVEA 100 | 419,000 | | | | | | | 419,000 |
| Meter Andrew | Production Tee-Bank | | | DAVEA 165 | 0 | STIMT 101 | 0 | | | | | 0 |
| Dec Parker Parker DAKE CO DAKE 125 O DAKE 15,000 PCOALT 100 O 15,000 Parker Parker Parker Parker PCOALT 100 O 15,000 PCOALT 100 O O O O O O O O O | Tubing | | | | | STR.47.105 | \$9,000 | | | PCCMT 105 | 0 | 59,000 |
| Parking Parking STIMT 400 STIMT 400 STIMT 400 D. PCCAIT 1405 D. D. D. D. D. D. D. D | Wellhead Tree Chokes | DIATE 115 | 20,000 | DAVEA 120 | 20,000 | STIME 126 | 25,000 | | | PCOMT.120 | 0 | 65.000 |
| Pumbring Unit, Engine | | DWEB 100 | 0 | DAVEA 125 | 0 | | | | | | | 0 |
| Danihole lift Equipment STMATAIN B0,000 PCOMI 110 0 0 0 0 0 0 0 0 0 | | | | | | | 15,000 | | | | | 15,000 |
| Surface Equipment PCOMT 420 0 0 0 0 0 0 0 0 0 | | | | | | | 0 | | | | | 0 |
| Verif Automation Materials FCCMT 455 C 773,000 Float Targifier - Well Equipment Cos 155,000 439,000 179,000 118,500 118,500 118,500 118,500 118,500 0 0 Float Targifier - Well Equipment CONT 405 CONT 405 0 0 0 0 Battery Equipment CONT 405 0 0 0 0 Cerebrad Power Distribution CONT 405 0 0 0 Facility Electrical CONT 405 0 0 0 Flectrical CONT 405 0 0 0 Metern and Metering Equipment CONT 405 0 0 0 Metern and Metering Equipment CONT 405 14,000 14,000 Facility Line Pipe CONT 405 23,000 23,000 FL/GC - Naterials CONT 405 23,000 23,000 FL/GC - Line Pipe CONT 505 15,000 15,000 FL/GC - Line Pipe CONT 505 15,000 0 0 SWD/Other - Materials CONT 505 0 0 0 SWD/Other - Materials CONT 505 0 0 0 SWD/Other - Materials CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 SWD/Other - Materials CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 505 0 0 0 FL/GC - Line Pipe CONT 5 | | | | | | STRATATO | 80,000 | | | | | 000,08 |
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| Facility Electrical CONT 425 0 | | | | | | | | | | | | |
| Telecommunication Equipment CONT 426 0 0 Metern and Meterny Equipment CONT 451 8,500 8,500 Easte Automation Marvish CONT 450 14,000 14,000 Easte Automation Marvish CONT 455 23,000 23,000 FL/G: - Materials CONT 550 7,500 7,500 FL/G: - Line Pipe CONT 555 15,000 15,000 SWD/Other - Materials CONT 650 0 0 SWD/Other - Liste Equipment Cox 241,500 241,500 | | | | | | | | | | | | _ |
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| SWD.OTHER - Links PIPE CONTASS 0 0 Total Targetio - Lesse Equipment Cox 241,500 241,500 | | | | | | | | | | | | |
| Few Targetion - Least Equipment Con. 241,500 241,500 | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | 2,815,000 | | 801,000 | | 6,470,000 | | | | 416,000 | |

| C | JIVI ZIT | | | | | | | | |
|----------------------------------------------|-----------------|-------------------------------|------------------|-----------|-------------------------------|---------|-------------------|-------------------------------|-----------|
| for a section of | | BCP - Drilling | | | ACP - Drilling | | | Comp/Stim | |
| Description Roads & tocation | CLUA DIDC 18 | n | 125 000 | | | 40 220 | Cones STPA 160 | | A-92,011 |
| | DIDC 10 | | 125,000 | | | | 2100 100 | , | 5,000 |
| Damages Mud/Fluids Disposal | DIDC 16 | | 10.000 | | | | \$10.4.255 | | |
| Day Rate | DIDC 11 | | 180,000 | | 3 mars no 675 00046mi | 100.000 | | 1 | 46,000 |
| Misc Preparation | DIDC 12 | | 35,000 | | 4 days at \$25,000/Jay | 100,000 | , | | |
| Eits | DIDC 12 | | | DICC 125 | | 0 | STIM: 125 | | |
| fuel | LIDC.13 | | | DICC.150 | | 0 | | | 0 |
| Water for Exiling Rig (Not Frac Water | DIDC 14 | | | | | 0 | | | 34.000 |
| Mad & Additives | DIDC 14 | | 5,000 250,000 | | | U | 21170.323 | | 24,000 |
| Surface Kentuls | | D Per Day (ECP) 'Say | | DICC 140 | | 0 | STIM 140 | | 174,000 |
| Howha, is Labor | 015-013 | | 93,000 | 5,00 | | v | \$102.141 | | 174,000 |
| Dawnhole Rentah | DIEC 155 | | 122 000 | | | | STPV 145 | | 0 |
| Automation Labor | DIEC 13. | • | 122 000 | | | | 31111 1-3 | | U |
| Edination Evaluation (DST Carrial etc.) | DIDC 160 | 1 | 0 | | | | S10V 150 | | 0 |
| Mustogging | | 20 disys at \$1,200/day | 29,000 | | | | 3 | | U |
| Open Hule Logging | DIDC 183 | | 0 | | | | | | |
| Cementing & Float Equipment | CHDC 185 | | | DICC.155 | | 175,000 | | | |
| Subular Inspections | DIGC 190 | | | DICC 160 | | 5,000 | S10// 160 | | 2,000 |
| Casing Crews | DIDC 195 | | | DKC.165 | | 20,000 | | | 2,000 |
| Mechanical Labor | DIDC 200 | | 15,000 | | | 5,000 | | | 0 |
| Truck-nar/fransportunian | DHX 205 | | 20,000 | | | 15,000 | | | 7,000 |
| Supervision | DIDC 210 | | 111.000 | | | 16,000 | | | 69,000 |
| Trailer House 'CamprCatering | DIDC 283 | | | DICC 255 | | 4,000 | | | 34,000 |
| Other Miss Expanses | CHUC 220 | | 3,000 | | | 000 | | | 90,000 |
| Overhead | DIDC 225 | | 10,000 | | | 5,000 | | | 50,033 |
| Remedial Contenting | DHJC 231 | | 0.020 | | | 2,000 | \$104.215 | | 0 |
| MOB/DIMOS | DIDC 240 | | 150,000 | | | | | | U |
| Cirectional Drilling Service | DIDC 245 | | 216.000 | | | | | | |
| Solids Control | CIDC 260 | | 77,000 | | | | | | |
| Well Control Ego p (SnubLing Services) | DIDC 265 | | | DICC 240 | | 0 | \$100,240 | | 100,000 |
| Fishing & Sidetrack Services | DIDC 270 | | | DICC 245 | | ō | S10#245 | | 0 |
| Completion Rig | | | • | | | | \$184.115 | | 21,000 |
| Coil Iubing Services | | | | | | | STR4.260 | | 271,000 |
| Completion Logging/Perforating/Wireling | | | | | | | STM1200 | | 359,000 |
| Camposite Plugs | | | | | | | \$104.390 | | 95,000 |
| Straulation | | | | | | | \$104.210 | | 3,770,000 |
| Stimulation Water/Water Transfer/Water | | | | | | | STR4.395 | | 882,000 |
| Conserv Owned Frac/Rental Equipment | | | | | | | \$104.305 | | 42,000 |
| Legal/Regulatory/Curative | DHUC 300 | | 10,000 | | | | | | |
| Well Control Insurance | DIDC 285 | \$0.35/ft | 7,000 | | | | | | |
| Real Time Operations Center | DIDC 560 | | 0 | | | | STIM.560 | | 0 |
| FL/GL - Labor | | | | | | | | | |
| F1/GL - Supervision | | | | | | | | | |
| Survey | | | | | | | | | |
| SWD/Other - Labor | | | | | | | | | |
| SWD/OTHER - SUPERVISION | | | | | | | | | |
| Contingency | DIDC 435 | 500 % of Brilling intarqubles | 127,000 | DICC 220 | | 17,000 | S1124 220 | | 300,000 |
| Contingency | | | | | | | | | |
| PSrA Cost: | DIDC.295 | | 0 | DICC275 | | 0 | | | |
| Total Intang ble Cost | t | | 2,660.000 | | | 352 000 | | | 6,291,000 |
| Drive Pipe | DWEB 150 | | 0 | | | | | | |
| Conductor Prot | DWEB 130 | | 0 | | | | | | |
| Water String | DWES 135 | | 0 | | | | | | |
| Surface Casing | 13WEB 14D | 13 3/6" - 400ft at \$35.00/ft | 14,000 | | | | | | |
| Intermediate Casing 1 | DIMES 147 | 9 5/8 - 3,460ft at \$35 00/ft | 121,060 | | | | | | |
| Intermediate Casing 2 | DWE0 155 | | 0 | | | | | | |
| Drilling Liner | DWEB 160 | | 0 | | | | | | |
| Production Casing or Liver | | | | | 5 1/2" - 19 055h at \$22 00-h | 419,000 | | | |
| Praduct on Tie-Back | | | | ENVEA 165 | | 0 | SH'81,161 | | 0 |
| Tubing | | | | | | | | 2 7/6" - 8 460ft of \$7.00/ft | 59,000 |
| Wellhead Tree Chakes | DAVER 137 | | 20,000 | DW: A 120 | | 20,000 | \$1021.126 | | 25,000 |
| Liner Hanger, holstion Packer | DV/18 100 | | 0 | DWEA 125 | | 0 | | | |
| Packer, Nopples | | | | | | | S10A1.400 | | 15,000 |
| Pumping Unit Engine | | | | | | | STP41.405 | | 0 |
| Dawnhole Lift Equipment | | | | | | | \$1031,410 | | 80,000 |
| Surface Equipment | | | | | | | | | |
| Well Automation Materials | | | | | | | | | |
| Total Tang De - We . Equipment Con | | | 155,000 | | | 439 000 | | | 179,000 |
| N/C Lease Equipment | | | | | | | | | |
| Tanks Tanks Steps Stars | | | | | | | | | |
| Battery Equipment | | | | | | | | | |
| Secondary Containments | | | | | | | | | |
| Overhead Power Distribution | | | | | | | | | |
| Facility Electrical | | | | | | | | | |
| Telecommunication Equipment | | | | | | | | | |
| Maters and Metering Equipment | | | | | | | | | |
| Facility Line Ape | | | | | | | | | |
| Lease Automation Materials LUGL - Materials | | | | | | | | | |
| FL/GL - Line Pipe | | | | | | | | | |
| SWD/Other - Material. | | | | | | | | | |
| SWD/OTHER - LINE FIRE | | | | | | | | | |
| Total Tang ble - Lease Equipment Cost | | | | | | | | | |
| Total Estimated Cost | | | 2 815 000 | | | 801 000 | | | 6.470.000 |



CIMAREX
Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 2H

| COM 2 | H | | | | | |
|-------------------------------------------------------------|----------------------|------------------|-----------------|--------------------------------------------|------------------|-------------------|
| | | Production Equip | | Post Completion | 54 60 | Total |
| Description Foork & Location | CON 100 | | P: 044 100 | Road Repair | 10,000 | 140,000 |
| Danages | CON 105 | 5,000 | PAGE INC | ragas respais | 10,000 | 15,000 |
| Must Philes Dig Wall | 40.1101 | 3,000 | PCON/255 | Water Disposal (2000 BWPO 11 \$2.25 for 60 | 275 000 | 501,000 |
| On, Pate | | | | | | 669,000 |
| Must Proporation | | | | | | 35.000 |
| B-ts | | | PCOM 125 | | 0 | 85,000 |
| Fuel | | | PCOM 130 | | e | 92,000 |
| Water for Drifting Rig (fint Frac Water; | | | PCOM 135 | | 0 | 29,000 |
| Mun & Additives | | | | | 22.060 | 250,000 |
| Surface Rentals | CON.140 | é,500 | PCOM 141 | Sand Separation and Iron (10 days) | 33.000 60.000 | 308,500 60,000 |
| Flowback Labor Orwinhole Rentals | | | PCOM 145 | Flowback hands (30 days) | 60,000 | 122,000 |
| Automobia keman | CON 152 | 16 000 | PCOM 150 | | 0 | 19,000 |
| Formation Evaluation (DST Contrig etc.) | CON 122 | 17,000 | 7 4 4 1 1 2 4 | | | 0 |
| Mustagyog | | | | | | 29,000 |
| OpenHoleLogging | | | | | | 0 |
| Cerrenting & Float Equipment | | | | | | 325,000 |
| Tubular Inspections | | | PLORE 160 | | 0 | 42,000 |
| Casing Crews | | | | | | 30,000 |
| Mechanical Lalivir | CON 170 | 124.500 | PCORt 170 | | 0 | 144,500 |
| Trucking Transportsbon | CON 175 | 15.000 | PCOM 175 | | 0 | 57,000 |
| Superiors | CON 183 | 11,000 | PLOM 180 | | 0 | 207,000 |
| Trailer House/Lainp/Catering | | | | | | 70,000 |
| Other Misc Expenses | CON 190 | 10,000 | PLOS HE | | 0 | 103,000 |
| Overhoad Pernedial Cementing | | | PCOM 215 | | 0 | 15,000 |
| MCS/DEMO3 | | | F | | U | 150.000 |
| Directional Drilling Services | | | | | | 216,000 |
| Solids Control | | | | | | 77,000 |
| Well Control Equip (Smibbling Services) | | | PCO2J 240 | | 0 | 190,000 |
| Fishing & Sidetrick Services | | | PCON 245 | | 0 | 0 |
| Completion Rig | | | PCON 115 | | 0 | 21,000 |
| Coll Tubing Services | | | PCOM 260 | | 0 | 271,000 |
| Completion Logging/Perforating/Wireline | | | PC083.200 | | 0 | 359,000 |
| Composite Plugs | | | PCOM 390 | | 0 | 95,000 |
| Stimulation Furriping Keemicals/Additives Sand | | | PCO1/210 | | 0 | 3,770,000 |
| Stimidation Water/Water Transfer/Water Storage | | | | | | 882,000 |
| Cimples Ownext Frac/Rental Equipment | 4.041.300 | | PCOM 305 | | 0 | 42,000 |
| Legal/Regulatory/Curative Vieli Control linuxance | CON 300 | 0 | | | | 10,000 7,000 |
| Real Time Operations Center | | | | | | 7,000 |
| FL GL - Labor | CON SO: | 73.500 | | | | 73,500 |
| FL/GL - Supervision | CON 505 | 0 | | | | 0 |
| Survey | CON 515 | 0 | | | | 0 |
| SWD, Other - Labor | CON: 600 | 0 | | | | 0 |
| SWD, OTHER - SUPERVISION | CON 605 | 0 | | | | 0 |
| Contingency | CON 530 | 40,500 | PCQM.220 | 10% | 38,000 | 522,500 |
| Contingency | CON 221 | 10,000 | | | | 10,000 |
| P&A Costs | | | | | | 0 |
| Total intangible Cost Dince Pupe | | 315 000 | | | 416 000 | 10.014,000 |
| Conductor Pipe | | | | | | 0 |
| Water String | | | | | | 0 |
| Surface Cisina | | | | | | 14,000 |
| Intermediate Caring 1 | | | | | | 121,000 |
| Intermediate Coung 2 | | | | | | 0 |
| Drilling Liner | | | | | | 0 |
| Production Coung of Liner | | | | | | 419.000 |
| Production To: Back | | | | | | 0 |
| Subing | | | PCO1.!1 105 | | 0 | 59,000 |
| Welfire at Tree Chillies | | | EC 08/9 120 | | 0 | 65,000 |
| Rents Hanger Bolation Packer | | | 51012 115 | | | 0 000 |
| Patier, Hipples Pumping Unit Engine | | | PCONT 405 | | 0 | 15 000 |
| Downhole Lift Equipment | | | PCDMF 405 | | 0 | 80,000 |
| Surface Equipment | | | PCOUNT 42P | | 0 | 80,000 |
| Well Automation Materials | | | PC 01.11 155 | | 0 | 0 |
| Total Tengible - Wet Equipment Cost | | | | | 0 | 773,000 |
| N/C Lease Equipment | CODIT 400 | 118,500 | | | | 118.500 |
| Tanks, Tanks Stept, Stairs | 400T 405 | 0 | | | | 0 |
| Battery Equipment | CONT 410 | 46,000 | | | | 46,000 |
| Secondary Containments | (O'iT 415 | 9.000 | | | | 9,000 |
| Overhead Fewer D. thibution | CO'11 420 | 0 | | | | 0 |
| Fankay Electrical | CONT 425 | 0 | | | | 0 |
| Referensituation Equipment Eleters and Reference Equipment | CONT 426 | 0 | | | | 8 5CO |
| Meters and Metering Equipment Facility Line Pipe | CONT-445 CONT-450 | 8,500 | | | | 8,500 14,000 |
| Leste Automation Materiali | CONT 455 | 14,000 23,000 | | | | 23,000 |
| FLIGT - Materials | CONT 550 | 7.500 | | | | 7,500 |
| FLSL - Line Fg & | CONT 555 | 15.000 | | | | 15,000 |
| SUD OF A MARKET | CO1-1 650 | 0 | | | | 0 |
| SAD SAIN WHE FRE | CCV*11 655 | 0 | | | | 0 |
| Fotal Fangible - Beaming upment Cost | | 241500 | | | | 241,500 |
| Total Estimated Cost | | 556,500 | | | 416,000 | 11,058,500 |

Compulsory Pooling Communication Affidavit

Parkway 15-14 North and South State Comms 1H and 2H wells (4 total)

Summary of General Contacts

- Cimarex sent well proposal letters in December 2018.
- Cimarex subsequently contacted parties to see if they would participate in the well and/or execute a joint operating agreement.
- Cimarex conducted updated record searches and internet searches for contact information for parties it seeks to pool.
- Cimarex continued to attempt to contact the parties who had not executed an agreement.
- Cimarex filed an application to force pool parties who had not entered in to an agreement on March 5, 2019.

Hunt Oil Company ("Hunt"):

- Sent well proposals on December 10, 2018 via overnight mail.
- Initial communication on December 26, 2018 in which Ryan Harkins, Landman for Hunt acknowledged receipt of the four (4) well proposals.
- Communication January 16, 2019 with Ryan Harkins that included his inquiry into whether or not Cimarex would be interested in acquiring their 160 net acres within the JOA Contract Area.
- Multiple other communications with Ryan Harkins over the next 7 weeks.
- Offer to Purchase Assets sent to Ryan Harkins via email and overnight mail on March 7, 2019.
- Cimarex set an initial deadline of March 15, 2019 to review the offer and respond.
- Multiple emails and voicemails exchanged regarding timing of getting a response back due to Spring Break.
- Cimarex extended the previous deadline to March 22, 2019 via a deadline extension letter sent via email on March 11, 2019.
- Multiple emails and voicemails exchanged regarding timing of getting a response back due to their Vice President being out of the office and busy with Midland Basin acreage deals.
- Cimarex extended the previous deadline again to April 3, 2019 via email correspondence sent on March 26, 2019.
- Received email from Ryan Harkins indicating that they would like to participate in the proposed operations.

COG Operating, LLC ("Concho"):

- Sent well proposals on December 10, 2018 via overnight mail.
- Initial email contact to Concho Landman, Brent Sawyer on January 22, 2019 outlining the ownership breakdown of Sections 14 and 15, T19S, 29E, Eddy County, NM.
- Met for lunch on February 5, 2019 with Brent Sawyer and Cimarex Landman, John Coffman, to discuss the overall parameters that Cimarex is hoping to accomplish by proposing a new JOA in an East to West format – drill longer laterals on an optimal orientation.
- Traded multiple emails and voicemail over the next three weeks over the JOA form.
- Sent a fully marked up version of our JOA to Brent Sawyer and Rita Burress, Team Lead of Brent Sawyer, for their review on February 27, 2019.

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EXHIBIT E

- Received correspondence from Brent Sawyer on March 18, 2019 indicating that they are reviewing the form and will try to get back with me soon.
- Received an inquiry from Brent Sawyer on March 29, 2019 regarding the proposed spud date of the Parkway 15-14 wells.
- Talked to Brent Sawyer over the phone on 4/1/2019 regarding when they will have their comments back to me on the form of JOA. He indicated it would be sometime during the week of April 8, 2019.

Jesse Galesi Trust:

- Sent well proposals on December 10, 2018 via overnight mail.
- Our contract land broker, Bob Bell, contacted the previous trust on file, US Trust Company
 Florida Savings Bank. He was not able to talk with anyone that knew of the Trust or a forwarding address.
- Bob Bell subsequently sent a certified letter on or around December 27, 2018 to an address he located online in Palm Beach, Florida. This correspondence was retuned undeliverable.
- Bob Bell subsequently sent a certified letter on or around February 4, 2019 to an address he located online in in Belchertown, MA was returned undeliverable.

Hollis Galesi:

- Sent email correspondence to Michael Galesi, purported relative of Hollis Galesi on December 5, 2018. Michael purported to represent Hollis and I requested that he furnish a Power of Attorney of some supporting documentation for this claim. He did not return any documentation or ever respond to my email.
- Sent well proposals on December 10, 2018 via overnight mail.
- Proposal sent to an address in Wayne, NJ and it was retuned undeliverable.

Dugan Production Company ("Dugan"):

- Sent well proposals on December 10, 2018 via overnight mail.
- Received their executed election(s) to participate and JOA from Dugan on or around January 9, 2019.

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20395

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20396

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20397

APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20398

AFFIDAVIT OF STACI MUELLER

| STATE OF TEXAS |) |
|-------------------|------|
| |) ss |
| COUNTY OF MIDLAND |) |

Staci Mueller, being duly sworn, deposes and states:

- 1. I am over the age of 18, am a geologist for Cimarex Energy Co. ("Cimarex") and have person knowledge of the matters stated herein. I have previously been qualified to testify by the New Mexico Oil Conservation Division as an expert in petroleum geology matters.
- 2. I conducted a geological study of the area that encompasses the horizontal spacing units that are the subject of Cimarex's applications in these cases and am familiar with the geological matters involved in this case.

CIIVARE

Exhibit B

- 3. As part of my study I have prepared the following geological exhibits with respected to each of the are attached hereto:
 - a. Exhibit A is a structure map on the base of the 3rd Bone Spring Sands which shows the spacing for the Parkway 15-14 North State Com 1H and 2H and the Parkway 15-14 South State Com 1H and 2H wells. It shows that the structure dips to the southeast. It also shows the location of the 3rd Bone Spring wells in the vicinity of the wells that are the subject of these applications, and a line of cross-section.
 - b. Exhibit B is a Net Porosity map of the 3rd Bone Spring formation. The Bone Spring Sands are uniform across the proposed well spacing units.
 - c. Exhibit C is a cross section, hung on the top of the Wolfcamp formation in the area which highlights the targeted zone. The well logs that are shown on this Exhibit were selected from those closest to proposed spacing unit which were most representative of the Bone Spring formation in the area. The target producing zone is shown on the Exhibit in the shaded area and by a red arrow.
 - d. The producing zone is relatively continuous across each of the proposed horizontal well spacing units.
 - 4. Based upon my study as illustrated in these exhibits, I have concluded the following:
 - a. There are no structural impediments or faulting that will interfere with horizontal development in any of the spacing units that are the subject of Cimarex's applications.
 - b. Each quarter quarter section in the unit will contribute more or less equally to production.
- 5. The preferred well orientation in this area is west to east. This is because the maximum horizontal stress direction runs north-south.
- 6. The producing interval for each of these wells will be orthodox and will comply with the Division's set back requirements.

Staci Mueller

SUBSCRIBED AND SWORN to before me this 30 day of April, 2019 by Staci Mueller.

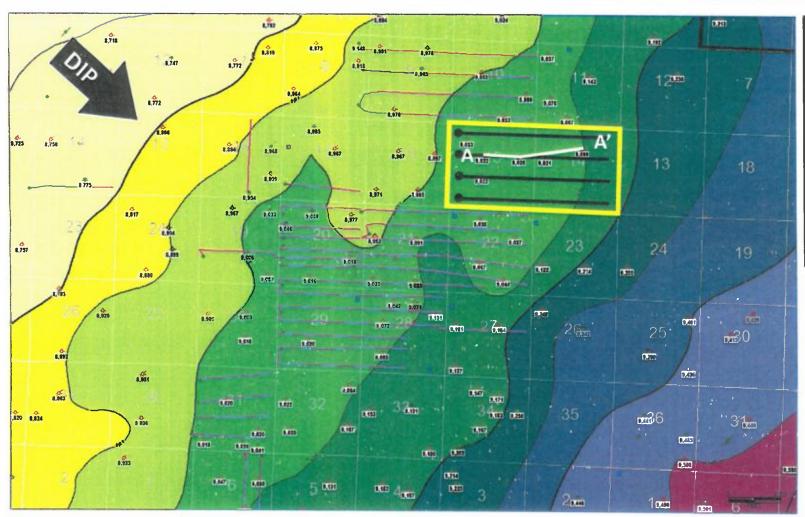
My commission expires: 1063

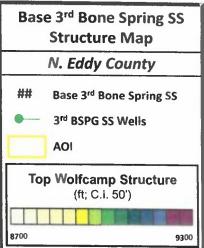
DAWN R. MCCLUNG Motary Public, State of Texas Comm. Expires 10-06-2021

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Structure Map



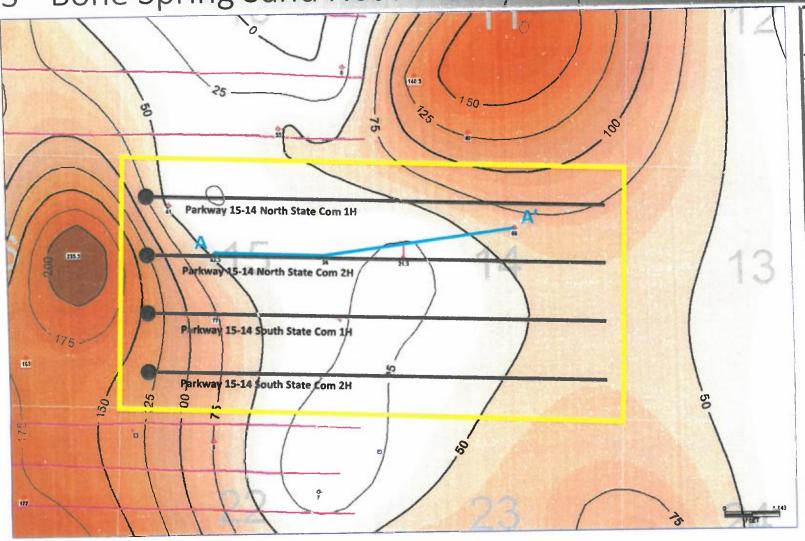






3rd Bone Spring Sand Net Porosity Map





3rd BSPG Sand Net
Porosity Map

N. Eddy County

3rd BSPG SS Producers

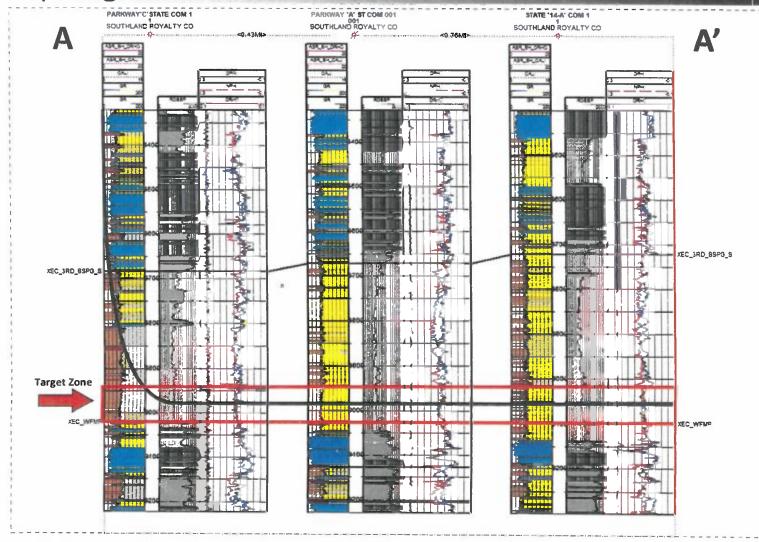
AOI

3rd BSPG SS Net Porosity
(>9% DPHI Porosity; C.I. 25')



3rd Bone Spring Sand Cross Section







STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

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CASE NO. 20398

AFFIDAVIT

| STATE OF NEW MEXICO |) |
|----------------------|-----|
| |)ss |
| COUNTY OF BERNALILLO |) |

Earl E. DeBrine, Jr., attorney in fact and authorized representative of Cimarex Energy Co., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under the notice letters and that proof of receipts are attached hereto. Cimarex Energy Co. has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the application filed herein.

Ear E. DeBrine, Jr.

Case Nos. 20395, 20396, 20397, 20398



SUBSCRIBED AND SWORN to before me this 3rd day of April, 2019 by Earl E.

Notary Public
My commission expires: 07-22-7022

Y:\dox\client\82762\0180\DRAFTS\W3395161.DOCX

AFFIDAVIT OF PUBLICATION

Ad No. 0001280518

MODRALL SPERLING PO BOX 2168

ALBUQUERQUE NM 87103

I, a legal clerk of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19

CASENO. 20395: Notice to all affected parties, as well as the heirs and devisees of COG Operating LLC, Dugan Production Company, Hollis Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 4, 2019, to consider this application. 2019 to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 N/2 of Sections 14 and 15, Township 19
South, Range 29 East, NMPM, Eddy County,
New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 North State Com 1H**well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Atoka, New Mexico.

Pub: March 21, 2019 #1280518

Subscribed and sworn before me this 21st of March 2019.

State of WI. County of Brown NOTARY PUBLIC

My Commission Expires

NOTARY PUBLIC SELECTION OF WISCOMMINIMUM

AFFIDAVIT OF PUBLICATION

Ad No. 0001280519

MODRALL SPERLING PO BOX 2168

ALBUQUERQUE NM 87103

I, a legal clerk of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19

CASENO. 20396: Notice to all affected parties, as well as the heirs and devisees of COG Operating LLC, Dugan Production Company, Hollis Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 4, 2019, to consider this application. 2019 to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Parkway 15-14 South State Com 1H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Atoka, New Mexico.

Pub: March 21, 2019 #1280519

Subscribed and sworn before me this 21st of March 2019.

State of WI, County of Brown NOTARY PUBLIC

My Commission Expires



AFFIDAVIT OF PUBLICATION

Ad No. 0001280520

MODRALL SPERLING PO BOX 2168

ALBUQUERQUE NM 87103

i, a legal clerk of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19

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CASENO. 20397: Notice to all affected parties, as well as the heirs and devisees of COG Oper-

ating LLC, Dugan Production Company, Hollis

Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, bareby, gives potice that the Division will sen

hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 4,

2019 to consider this application. Applicant

seeks an order from the Division pooling all un-

Subscribed and sworn before me this 21st of March 2019.

State of WI, County of Brown NOTARY PUBLIC

My Commission Expires

NOTARY PUBLIC SHIP

AFFIDAVIT OF PUBLICATION

Ad No. 0001280523

MODRALL SPERLING PO BOX 2168

ALBUQUERQUE NM 87103

I, a legal clerk of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19

CASENO. 20398: Notice to all affected parties. as well as the heirs and devisees of COG Operating LLC, Dugan Production Company, Hollis Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 4, 2019 to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated ed to the Parkway 15-14 South State Com 2H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Atoka, New Mexico.

Pub: March 21, 2019 #1280523

Subscribed and sworn before me this 21st of March 2019.

State of WI, County of Brown

My Commission Expires

MOTARY PUBLIC STATES

Ad#:0001280523 P O : Case 20398 # of Affidavits :0.00